

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA

*Basic Financial
Statements, Independent Auditors' Reports, and
Supplemental Information*

Year Ended December 31, 2013



Postlethwaite
& Netterville

A Professional Accounting Corporation

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St. Francisville, Louisiana
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INDEPENDENT AUDITORS' REPORT

Independent Auditors' Report

Honorable President and Police Jurors
of West Feliciana Parish Police Jury
St. Francisville, Louisiana

Report on the Financial Statements

We have audited the accompanying balance sheets and statements of net position of the governmental activities, the business-type activities, the fiduciary funds, the discretely presented component unit, each major fund, and the aggregate remaining non-major funds information of the West Feliciana Parish Police Jury (Police Jury) as of December 31, 2013, and were engaged to audit the related statements of activities; revenues, expenditures and changes in fund balances; changes in net position; and cash flows for the year then ended; and the related notes to financial statements; which collectively comprise the Police Jury's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for audit opinions on the results of operations and cash flows or the consistency of application of accounting principles with the preceding year.

We did not audit the statement of net position of West Feliciana Parish Hospital, which represents 100% of the assets and net position and revenues of the discretely presented component unit. This statement of net position was audited by another auditor, whose report thereon was furnished to us, and our opinion, herein, insofar as it relates to the amounts included for this entity, is based upon the report of the other auditor. We did not audit the balance sheet of West Feliciana Parish Library, a blended component unit, which represents 7% and 8%, respectively, of the assets and fund balance of the governmental activities. This balance sheet was audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the West Feliciana Parish Library, is based solely on the report of the other auditor.

Auditors' Responsibility (continued)

We conducted our audit of the balance sheets and statements of net position in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the balance sheets and statements of net position are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion of the balance sheets and the statements of net position.

Basis for Disclaimer of Opinion on the Results of Operations, Cash Flows, and Consistency

We were not able to apply audit procedures necessary to obtain sufficient appropriate audit evidence about the classifications and amounts comprising the balance sheets and the statements of net position at December 31, 2012. The significant aspects of the balance sheets and statements of net position at December 31, 2012, including classifications and amounts, materially affect the determination of the results of operations and cash flows for the year ended December 31, 2013, and the consistency of application of accounting principles between 2013 and 2012.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the results of operations and cash flows for the year ended December 31, 2013, or on the consistency of application of accounting principles with the preceding year. Accordingly, we do not express an opinion on the results of operations and cash flows for the year ended December 31, 2013, or on the consistency of application of accounting principles with the preceding year.

Opinions

In our opinion, based on our audit and the reports of other auditors, the balance sheets and statements of net position referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the fiduciary funds, the discretely presented component unit, each major fund, and the aggregate remaining non-major funds information of the Police Jury, as of December 31, 2013, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's discussion and analysis, budgetary comparison information, and the Schedule of Funding Progress and Employer Contributions of the Police Jury's Other Post Employment Benefit Plan presented on pages 4 through 13, 54 through 59, and page 60 respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

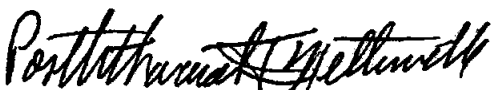
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Police Jury's financial statements. The combining non-major fund financial statements on pages 63-64, are presented for additional are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards on page 70 is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining non-major fund financial statements and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Because of the significance of the matter described previously, it is inappropriate to and we do not express an opinion on the supplemental information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 29, 2015 on our consideration of the Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Police Jury's internal control over financial reporting and compliance.



Baton Rouge, Louisiana
April 29, 2015

**WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Our analysis of financial performance of the West Feliciana Parish Police Jury (the Police Jury) provides an overview of the Police Jury's financial activities for the fiscal year ended December 31, 2013. Please read it in conjunction with the Police Jury's financial statements which begin on page 14. The Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts.

NEW ACCOUNTING PRONOUNCEMENTS

The Police Jury implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, in fiscal year 2013. GASB 65 reclassifies certain items currently being reported as assets and liabilities as deferred outflows of resources and deferred inflows of resources. In addition, this Statement recognizes certain items currently being reported as assets and liabilities as outflows of resources and inflows of resources.

The Police Jury implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits other than Pensions*, in fiscal year 2013, GASB 45 requires public sector employers to accrued post-employment benefits over the career of employees and to disclose the amount of the unfunded liability.

FINANCIAL HIGHLIGHTS

In 2013, the Police Jury's governmental revenues decreased relative to prior year by approximately \$113,000, which is primarily attributable to decreases in ad valorem taxes. Governmental expenses increased by approximately \$210,000 due to the increases in salaries and benefits and a full year of interest expense related to the Library construction bonds. The major financial highlights for 2013 are as follows:

- Assets of the Police Jury's primary government exceeded its liabilities at the close of the year by approximately \$37.2 million (net position). Of this amount, approximately \$9.2 million (unrestricted net position) may be used without restrictions to meet the Police Jury's ongoing obligations to citizens and creditors.
- The primary government's total net position increased by approximately \$2.5 million during 2013.
- Governmental activities' net position increased by approximately \$941,000, primarily the result of the gain on the sale of the Burnett property in the amount of approximately \$773,000.
- Business-type total net position increased by approximately \$1.6 million.
- As of the end of the year, the primary government's governmental funds reported combined fund balances of \$16.8 million, an increase of approximately \$552,000 in comparison to the prior year.

Significant aspects of the Police Jury's financial well-being, as of and for the year ended December 31, 2013, is detailed throughout this analysis.

USING THIS ANNUAL REPORT

Governmental Accounting Standards Board Statement No. 34 focuses on the government as a whole and on major individual funds. Both perspectives allow the reader to address relevant questions, broaden a basis for comparison from year to year and should enhance the Police Jury's accountability.

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 14 and 15 -16) provide information about the activities of the Police Jury as a whole and present a longer-term view of the Police Jury's finances.

Fund financial statements start on page 17. For governmental activities, these statements depict how services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Police Jury's operations in more detail than the government-wide statements by providing information about the Police Jury's most significant funds.

Reporting on the Police Jury as a Whole

The Statement of Net Position and the Statement of Activities report information about the Police Jury as a whole and about its activities in a way to determine if the Police Jury is in better condition as a result of the year's financial results. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to accounting methods used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in these statements for some items that will only result in cash flows in future fiscal periods.

These two statements report the Police Jury's net position and related changes. You can think of the Police Jury's net position—the difference between assets and liabilities—as one way to measure the Police Jury's financial health, or financial position. Over time, increases or decreases in the Police Jury's net position is one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the Police Jury's property and sales tax base and the condition of the Police Jury's roads and buildings, to assess the overall health of the Police Jury.

In the Statement of Net Position and the Statement of Activities, we divide the Police Jury into two kinds of activities:

Governmental activities - Most of the Police Jury's basic services are reported here, including public safety, streets and sanitation, culture and recreation, economic development and general administration. Property and sales taxes, charges for services, and state and federal grants finance most of these activities.

Business-type activities - The Police Jury charges a fee to customers to help it cover the cost of certain services it provides. The Police Jury operates four sewer systems, water and wastewater treatment systems which are reported here.

The analysis below of the primary government focuses on the net position and change in net position of the Police Jury's governmental and business-type activities.

West Feliciana Parish Police Jury

Statements of Net Position

December 31, 2013 and 2012

(in thousands)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Primary Government Total</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Current and other assets	\$ 18,205	\$ 17,582	\$ 1,656	\$ 1,312	\$ 19,861	\$ 18,894
Capital assets	<u>16,631</u>	<u>16,045</u>	<u>9,978</u>	<u>8,332</u>	<u>26,609</u>	<u>24,377</u>
Total assets	<u>34,836</u>	<u>33,627</u>	<u>11,634</u>	<u>9,644</u>	<u>46,470</u>	<u>43,271</u>
Current and other liabilities	1,465	1,277	795	371	2,260	1,648
Long-term liabilities	<u>3,927</u>	<u>3,847</u>	<u>3,103</u>	<u>3,145</u>	<u>7,030</u>	<u>6,992</u>
Total liabilities	<u>5,392</u>	<u>5,124</u>	<u>3,898</u>	<u>3,516</u>	<u>9,290</u>	<u>8,640</u>
Net position:						
Net investment in capital assets	13,042	12,204	6,926	5,188	19,968	17,392
Restricted	7,746	8,421	287	219	8,033	8,640
Unrestricted	<u>8,656</u>	<u>7,878</u>	<u>523</u>	<u>721</u>	<u>9,179</u>	<u>8,599</u>
Total net position	<u>\$ 29,444</u>	<u>\$ 28,503</u>	<u>\$ 7,736</u>	<u>\$ 6,128</u>	<u>\$ 37,180</u>	<u>\$ 34,631</u>

At December 31, 2013, the Police Jury's net position was \$37.2 million, of which \$9.2 million was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limits the Police Jury's ability to use that net position for day-to-day operations.

Total net position of the Police Jury's governmental activities increased by approximately \$941,000 during 2013, ending the year with unrestricted net position of \$8.7 million. Unrestricted net position represents the portion of the Police Jury's resources that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements.

The Police Jury operates utility systems for its constituents. The principal focus of this activity is to operate on a profitable basis. The net position of the Police Jury's business activities increased by approximately \$1.6 million during 2013.

The results of this year's operations for the primary government as a whole as reported in the Statement of Activities, are as follows:

West Feliciana Parish Police Jury
St. Francisville, Louisiana
Changes in Net Position
For the years ended December 31, 2013 and 2012
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Fees and charges for services	\$ 715	\$ 774	\$ 1,519	\$ 1,468	\$ 2,234	\$ 2,242
Operating grants	710	702	2	-	712	702
Capital grants/contributions	1,136	964	1,906	1,882	3,042	2,846
General revenues:						
Ad valorem taxes	4,421	4,675	-	-	4,421	4,675
Sales taxes	1,444	1,606	-	-	1,444	1,606
Video poker	149	147	-	-	149	147
Other taxes	29	34	-	-	29	34
Other general revenues	809	664	-	-	809	664
Total revenues	<u>9,413</u>	<u>9,566</u>	<u>3,427</u>	<u>3,350</u>	<u>12,840</u>	<u>12,916</u>
Functions/Program Expenses:						
General government	2,320	2,079	-	-	2,320	2,079
Culture and recreation	991	892	-	-	991	892
Economic development	251	172	-	-	251	172
Health and welfare	419	483	-	-	419	483
Public safety	187	548	-	-	187	548
Public works	4,108	4,000	-	-	4,108	4,000
Capital outlay	73	88	-	-	73	88
Business type-expenses	-	-	1,655	1,562	1,655	1,562
Interest expense	131	8	156	111	287	119
Total expenses	<u>8,480</u>	<u>8,270</u>	<u>1,811</u>	<u>1,673</u>	<u>10,291</u>	<u>9,943</u>
Increase (decrease) in net position						
before transfers	933	1,296	1,616	1,677	2,549	2,973
Transfers	<u>8</u>	<u>-</u>	<u>(8)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	<u>941</u>	<u>1,296</u>	<u>1,608</u>	<u>1,677</u>	<u>2,549</u>	<u>2,973</u>

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus is now on major funds, rather than generic fund types.

Reporting the Police Jury's Most Significant Funds

An analysis of the Police Jury's major funds begins on page 17 with the fund financial statements that provide detailed information about the most significant funds and not the Police Jury as a whole. Some funds are required to be established by State law or by bond covenants. However, the Police Jury Council establishes other funds to control and manage financial resources for particular purposes or meeting legal responsibilities for using certain taxes, grants, and other assets. The Police Jury's two kinds of funds, governmental and proprietary, use different accounting bases.

Governmental funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Most of the Police Jury's basic services are reported in governmental funds. These funds use the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Police Jury's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Police Jury's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation to the financial statements.

Proprietary funds - When the Police Jury charges customers for the services it provides—whether to outside customers or to other units of the Police Jury—these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the Police Jury's proprietary funds are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are a required part of the basic financial statements and begin on page 27.

Other information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning original and final budgetary comparisons to actual results for the year for the Police Jury's major funds. See pages 54-59. Certain supplementary financial information can be found on page 61 through 64. These schedules are included for additional information and analysis and do not constitute a part of the basic financial statements.

Financial Analysis of the Government's Funds

The government operations of the Police Jury are accounted for in the General, Special Revenue, Debt Service, and Capital Project Funds. The focus of these funds, as noted earlier, is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Police Jury's financing requirements. The following is a summary of general governmental operations for 2013 by fund type:

	(in thousands)				
	2013				
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Total
Revenues & other financing sources	\$ 2,719	\$ 6,435	\$ 354	\$ 2	\$ 9,510
Expenditures & other financing uses	1,780	6,111	229	838	8,958
Surplus (deficit)	939	324	125	(836)	552
Fund Balance,					
December 31, 2012, as restated	6,457	6,218	357	3,187	16,219
Fund Balance,					
December 31, 2013	<u>\$ 7,396</u>	<u>\$ 6,542</u>	<u>\$ 482</u>	<u>\$ 2,351</u>	<u>\$ 16,771</u>

The Police Jury's governmental funds experienced a surplus of approximately \$552,000 during 2013. At year end, fund balances were approximately \$16.8 million. Approximately \$6 million is unassigned and available for utilization at the Police Jury's discretion. The remainder of the fund balance has been restricted, committed, or classified as nonspendable. These restrictions are for debt service, infrastructure and maintenance, public improvements. Committed funds are primarily to be used for emergency and police jury designated capital projects.

The General Fund is the chief operating fund of the Police Jury. At the end of the fiscal year, fund balance of the General Fund was approximately 7.4 million compared to the fund balance of \$6.5 million at 2012. The increase in fund balance resulted predominantly from the sale of the Burnett property of approximately \$813,000.

The Police Jury's other major governmental funds are the Buildings and Grounds Fund, Recreation Fund, Road Improvement Fund, Economic Development Fund, and Library Construction Fund. The Building and Grounds fund operated at a surplus of approximately \$63,000. The Recreation fund operated at a surplus of approximately \$123,000. The Road Improvement fund operated at a surplus of approximately \$24,000. The Economic Development fund operated at a surplus of approximately \$59,000. The Library Construction Fund had an operating deficit of approximately \$836,000 which was expected due to continued construction related to the new West Feliciana Library building.

Sources of governmental revenues, excluding transfers, are summarized below.

<u>Source of Revenue</u>	(in thousands)			
	2013		2012	
	<u>Revenue</u>	<u>Percent</u>	<u>Revenue</u>	<u>Percent</u>
Taxes	\$ 6,043	64%	\$ 6,307	70%
Intergovernmental	1,846	20%	1,950	22%
Licenses and permits	148	2%	152	2%
Charges for services	567	6%	488	5%
Other	847	9%	73	1%
Total	<u>\$ 9,451</u>	<u>100%</u>	<u>\$ 8,970</u>	<u>100%</u>

Revenues of the primary government for governmental fund types for 2013 totaled \$9.5 million, compared with \$9.0 million for the previous year, representing an increase of approximately \$481,000. This was predominantly due to the Burnett property sale of approximately \$813,000. However, ad valorem taxes experienced a decrease of approximately \$130,000 compared to 2012. Ad valorem taxes are expected to continue decreasing due to the nuclear plant that decreases \$5 million in value annually.

The expenditures of the primary government increased by approximately \$414,000 in 2013. General governmental expenditures for each major function are summarized in the following table.

<u>Function</u>	(in thousands)			
	2013		2012	
	<u>Expenditure</u>	<u>Percent</u>	<u>Expenditure</u>	<u>Percent</u>
General government	\$ 1,948	22%	\$ 1,776	21%
Culture and recreation	917	10%	846	10%
Economic development	232	3%	172	2%
Health and welfare	388	4%	475	6%
Public safety	173	2%	626	7%
Public works	4,116	46%	3,898	46%
Capital outlay	906	10%	662	8%
Debt service	229	3%	40	0%
Total	<u>\$ 8,909</u>	<u>100%</u>	<u>\$ 8,495</u>	<u>100%</u>

The largest increases in spending occurred in capital outlay and public works due to the infrastructure improvements related to the Library construction.

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGET

There were no significant budget amendments for budgets during the year. This did not result in any state budget violations for the major funds of the Police Jury.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2013, the Police Jury had approximately \$26.7 million invested in a broad range of capital assets, including land, construction in progress, buildings, utility systems, equipment, furniture and fixtures, library collection, infrastructure, and vehicles. This amount represents no change in overall capital investment balance from the prior year.

(in thousands)						
	Governmental Activities		Business-type Activities		Totals	
	2013	2012	2013	2012	2013	2012
Land	\$ 1,388	\$ 1,428	\$ -	\$ -	\$ 1,388	\$ 1,428
Construction in progress	1,195	357	-	1,837	1,195	2,194
Buildings	10,232	10,412	-	-	10,232	10,412
Utility systems	-	-	9,841	6,365	9,841	6,365
Equipment	447	456	120	121	567	577
Furniture and fixtures	10	16	-	-	10	16
Library collection	72	49	-	-	72	49
Infrastructure	3,163	3,241	-	-	3,163	3,241
Vehicles	124	165	17	10	141	175
Total assets, net of depreciation	\$ 16,631	\$ 16,124	\$ 9,978	\$ 8,333	\$ 26,609	\$ 24,457

More detailed information about the Police Jury's capital assets as well as information on the Police Jury's capital projects is presented in Note 5 to the financial statements. The Police Jury had \$3.2 million in net capital additions during 2013. These capital outlays were primarily related to the Library building construction and the Independence sewer project. Depreciation expense of the Police Jury's assets of \$1.1 million resulted in a net increase in capital assets of \$2.1 million.

Debt

At year-end, the Police Jury had \$7.03 million in bonds and long-term obligations versus \$7.02 million last year—an increase of \$12,000 — as shown below:

(in thousands)				
Governmental Activities				
	Balance Beginning of Year	Additions	Deletions	Balance End of Year
Bonds payable	\$ 3,717	\$ -	\$ 128	\$ 3,589
Net post-employment benefits	-	4	-	4
Compensated absences	123	78	67	134
Claims and judgements	-	200	-	200
Total governmental activities	<u>\$ 3,840</u>	<u>\$ 282</u>	<u>\$ 195</u>	<u>\$ 3,927</u>
Business-Type Activities				
	Balance Beginning of Year	Additions	Deletions	Balance End of Year
Bonds payable	\$ 3,145	\$ -	\$ 92	\$ 3,053
Compensated absences	34	25	10	49
Net post-employment benefits	-	2	-	2
Total business-type activities	<u>\$ 3,179</u>	<u>\$ 27</u>	<u>\$ 102</u>	<u>\$ 3,104</u>

The Police Jury remained current on all bonds and notes outstanding and retired approximately \$220,000 in debt during 2013.

The Police Jury accrued \$200,000 for the risk of any litigation exposure related to various lawsuits.

More detailed information about the Police Jury's long-term liabilities is presented in Notes 8 and 9 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The Police Jury adopted a Home Rule Charter on November 26, 2012 that would become effective on January 1, 2014. The Charter provided for a mayor-council form of government. Also, the accounting year end changed from December 31st to June 30th. Therefore, the Police Jury adopted a six month proposed budget from January 1, 2014 to June 30, 2014.

The Police Jury's elected and appointed officials considered many factors when setting the six month 2014 budget and tax rates. One of those factors is the economy. With ad valorem tax and sales tax being the largest sources of income to support the general governmental operations of the Police Jury, local business activities can have a significant impact on the Police Jury.

For the six months 2014, revenues and other financing sources are budgeted at \$4.5 million, with expenditures expected to be \$4.3 million. If these estimates are realized, the Police Jury's budgetary fund balances are expected to remain stable.

The majority of the Police Jury's revenue is derived from property taxes. In recent years, the assessment values have decreased each year resulting in lower property tax receipts. The Police Jury expects this trend to continue in 2014.

Contacting the Police Jury's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Police Jury's finances and to show accountability for the money it receives. If you have questions about this report or need additional financial information, contact Sherrel Johnson with the Police Jury's Finance Department at (225) 635-3864, or P.O. Box 1921, St. Francisville, Louisiana 70775.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

WEST FELICIANA PARISH POLICE JURY
STATEMENT OF NET POSITION
DECEMBER 31, 2013

	Primary Government			Component Unit
	Governmental	Business-type		Business-type
	Activities	Activities	Total	Activities
ASSETS:				
Cash and cash equivalents	\$ 1,074,501	\$ 374,956	\$ 1,449,457	\$ 4,300,293
Certificates of deposit	-	-	-	3,457,256
Investments	9,608,297	319,727	9,928,024	-
Taxes receivable	4,589,683	166	4,589,849	648,734
Due from other governments	69,407	419,244	488,651	-
Accounts receivable (net)	19,836	82,236	102,072	3,587,253
Inventory	-	-	-	451,569
Prepaid expenses	79,627	17,298	96,925	247,700
Restricted assets:				
Cash and cash equivalents	38,072	236,583	274,655	2,576,977
Certificates of deposit	-	-	-	2,305,933
Investments	2,725,899	205,276	2,931,175	5,657,008
Capital assets:				
Land and construction in progress	2,583,702	-	2,583,702	-
Depreciable capital assets, net	14,046,921	9,978,173	24,025,094	6,747,983
TOTAL ASSETS	34,835,945	11,633,659	46,469,604	29,980,706
LIABILITIES:				
Accounts payable	392,446	547,575	940,021	420,225
Accrued expenses and other liabilities	132,641	19,454	152,095	676,807
Cash overdraft	872,793	139,415	1,012,208	-
Customer deposits	-	155,183	155,183	-
Internal balances	66,749	(66,749)	-	-
Long-term liabilities:				
Due within one year	224,006	104,291	328,297	-
Due beyond one year	3,703,091	2,999,206	6,702,297	-
TOTAL LIABILITIES	5,391,726	3,898,375	9,290,101	1,097,032
NET POSITION:				
Net investment in capital assets	13,041,623	6,925,652	19,967,275	6,747,983
Restricted for:				
Debt service	482,237	205,276	687,513	-
Capital improvements	5,480,909	81,400	5,562,309	10,539,918
Health unit	1,238,791	-	1,238,791	-
Recreation	393,451	-	393,451	-
Other	151,557	-	151,557	-
Unrestricted	8,655,651	522,956	9,178,607	11,595,773
TOTAL NET POSITION	\$ 29,444,219	\$ 7,735,284	\$ 37,179,503	\$ 28,883,674

The accompanying notes are an integral part of this statement.

WEST FELICIANA PARISH POLICE JURY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013

	Primary Government				Net (Expense) Revenue and Changes in Net Position
	Expenses	Fees and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Function/Programs					
Primary Government					
Governmental activities:					
General government	\$ 2,319,942	\$ 583,567	\$ 689,949	\$ -	\$ (1,046,426)
Culture and recreation	990,947	-	-	-	(990,947)
Economic development	250,797	-	-	-	(250,797)
Health and welfare	419,378	-	15,554	-	(403,824)
Public safety	186,649	131,770	-	-	(54,879)
Public works	4,107,923	-	4,509	1,135,820	(2,967,594)
Capital outlay	73,193	-	-	-	(73,193)
Interest expense	130,811	-	-	-	(130,811)
Total governmental activities	<u>8,479,640</u>	<u>715,337</u>	<u>710,012</u>	<u>1,135,820</u>	<u>(5,918,471)</u>
Business-type activities:					
Enterprise - Waterworks District No. 13	1,553,407	1,414,116	475	97,306	-
Enterprise - Hardwood sewer	75,352	30,416	-	-	-
Enterprise - Solitude sewer	120,798	60,316	-	-	-
Enterprise - Turner sewer	19,558	12,119	-	-	-
Enterprise - Independence sewer	41,521	2,370	1,014	1,808,151	-
Total business-type activities	<u>1,810,636</u>	<u>1,519,337</u>	<u>1,489</u>	<u>1,905,457</u>	<u>-</u>
Total primary government	<u>\$ 10,290,276</u>	<u>\$ 2,234,674</u>	<u>\$ 711,501</u>	<u>\$ 3,041,277</u>	<u>(5,918,471)</u>
Component Unit:					
Business-type activities	<u>\$ 17,910,996</u>	<u>\$ 17,378,972</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>
General revenues:					
Ad valorem taxes					4,421,355
Sales taxes					1,443,746
Video poker					149,079
Other taxes					29,274
Other					34,558
Gain from sale of asset					773,020
Transfers (to) from other funds					8,352
Total general revenues					<u>6,859,384</u>
Change in net position					940,913
Net position, December 31, 2012, as restated					<u>28,503,306</u>
Net position, December 31, 2013					<u>\$ 29,444,219</u>

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position		Component Unit Net (Expense) Revenue and Changes in Net Position
Business-type Activities	Total	Business-type Activities
\$ -	\$ (1,046,426)	\$ -
-	(990,947)	-
-	(250,797)	-
-	(403,824)	-
-	(54,879)	-
-	(2,967,594)	-
-	(73,193)	-
-	(130,811)	-
-	(5,918,471)	-
(41,510)	(41,510)	-
(44,936)	(44,936)	-
(60,482)	(60,482)	-
(7,439)	(7,439)	-
1,770,014	1,770,014	-
1,615,647	1,615,647	-
1,615,647	(4,302,824)	-
-	-	\$ (532,024)
-	4,421,355	510,035
-	1,443,746	1,417,091
-	149,079	-
-	29,274	22,117
-	34,558	213,301
-	773,020	-
(8,352)	-	-
(8,352)	6,851,032	2,162,544
1,607,295	2,548,208	1,630,520
6,127,989	34,631,295	27,253,154
\$ 7,735,284	\$ 37,179,503	\$ 28,883,674

FUND FINANCIAL STATEMENTS

WEST FELICIANA PARISH POLICE JURY
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2013

	<u>General</u>	<u>Buildings and Grounds</u>	<u>Recreation</u>	<u>Road Improvement</u>	<u>Economic Development</u>	<u>Library Construction</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>								
Cash and cash equivalents	\$ 486,820	\$ 18,981	\$ 174,104	\$ -	\$ -	\$ 850	\$ 393,746	\$ 1,074,501
Investments	5,004,740	883,138	333,716	1,275,464	279,019	-	1,832,220	9,608,297
Prepaid expenses	20,724	7,531	17,882	33,465	-	-	25	79,627
Receivables, net:								
Accounts	8,459	-	1,115	-	-	-	10,262	19,836
Taxes	951,383	749,950	436,805	1,128,312	253,495	-	1,069,738	4,589,683
Due from other funds	1,113,643	-	-	39,638	-	-	8,103	1,161,384
Due from other governments	28,290	-	-	41,117	-	-	-	69,407
Restricted assets:								
Cash and cash equivalents	-	-	-	-	-	472	37,600	38,072
Investments	-	-	-	-	-	2,569,524	156,375	2,725,899
TOTAL ASSETS	<u>7,614,059</u>	<u>1,659,600</u>	<u>963,622</u>	<u>2,517,996</u>	<u>532,514</u>	<u>2,570,846</u>	<u>3,508,069</u>	<u>19,366,706</u>
<u>LIABILITIES</u>								
Accounts payable	56,597	43,168	23,886	15,416	314	219,830	33,235	392,446
Accrued expenses and liabilities	77,376	627	6,836	12,816	4,833	-	-	102,488
Cash overdraft	-	-	-	802,910	16,702	-	53,181	872,793
Due to other funds	84,137	37,766	521,567	94,004	451,409	-	39,250	1,228,133
TOTAL LIABILITIES	<u>218,110</u>	<u>81,561</u>	<u>552,289</u>	<u>925,146</u>	<u>473,258</u>	<u>219,830</u>	<u>125,666</u>	<u>2,595,860</u>
<u>FUND BALANCES</u>								
Nonspendable	20,724	7,531	17,882	33,465	-	-	25	79,627
Restricted	-	1,570,508	393,451	1,559,385	59,256	2,351,016	2,142,813	8,076,429
Committed	2,569,266	-	-	-	-	-	1,794	2,571,060
Unassigned	4,805,959	-	-	-	-	-	1,237,771	6,043,730
TOTAL FUND BALANCES	<u>7,395,949</u>	<u>1,578,039</u>	<u>411,333</u>	<u>1,592,850</u>	<u>59,256</u>	<u>2,351,016</u>	<u>3,382,403</u>	<u>16,770,846</u>
 TOTAL LIABILITIES AND FUND BALANCES	 <u>\$ 7,614,059</u>	 <u>\$ 1,659,600</u>	 <u>\$ 963,622</u>	 <u>\$ 2,517,996</u>	 <u>\$ 532,514</u>	 <u>\$ 2,570,846</u>	 <u>\$ 3,508,069</u>	 <u>\$ 19,366,706</u>

The accompanying notes are an integral part of this statement.

WEST FELICIANA PARISH POLICE JURY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2013

Fund balance, December 31, 2013 - governmental funds		\$ 16,770,846
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:		
Cost of capital assets at December 31, 2013	23,349,502	
Less: accumulated depreciation as of December 31, 2013	<u>(6,718,879)</u>	16,630,623
Accrued interest on long-term debt		(30,153)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental fund liabilities:		
Bonds payable		(3,589,000)
Compensated absences		(133,959)
Net OPEB benefits		(4,138)
Claims and judgments payable		<u>(200,000)</u>
Total net position at December 31, 2013 - governmental activities		<u>\$ 29,444,219</u>

The accompanying notes are an integral part of this statement.

WEST FELICIANA PARISH POLICE JURY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>General</u>	<u>Buildings and Grounds</u>	<u>Recreation</u>	<u>Road Improvement</u>	<u>Economic Development</u>	<u>Library Construction</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES:								
Intergovernmental revenues	\$ 379,907	\$ 1,140,329	\$ 148	\$ 271,347	\$ -	\$ -	\$ 54,101	\$ 1,845,832
Taxes:								
Ad valorem	927,176	759,979	388,792	1,143,506	258,804	-	943,098	4,421,355
Beer	3,444	-	-	-	-	-	-	3,444
Sales	76,412	-	471,981	-	-	-	895,353	1,443,746
Video poker	149,079	-	-	-	-	-	-	149,079
Franchise fees	25,830	-	-	-	-	-	-	25,830
Licenses and permits	147,904	-	-	-	-	-	-	147,904
Charges for services	236,337	-	178,821	-	-	-	152,275	567,433
Other revenues	9,464	733	286	7,034	13,235	1,867	1,939	34,558
TOTAL REVENUES:	<u>1,955,553</u>	<u>1,901,041</u>	<u>1,040,028</u>	<u>1,421,887</u>	<u>272,039</u>	<u>1,867</u>	<u>2,046,766</u>	<u>8,639,181</u>
EXPENDITURES:								
General government	1,488,142	-	-	-	-	-	459,436	1,947,578
Culture and recreation	-	-	916,923	-	-	-	-	916,923
Economic development	19,279	-	-	-	212,783	-	-	232,062
Health and welfare	86,492	-	-	-	-	-	301,558	388,050
Public safety	172,707	-	-	-	-	-	-	172,707
Public works	-	1,838,434	-	1,397,807	-	-	880,138	4,116,379
Capital outlay	12,900	-	-	-	-	838,092	55,631	906,623
Debt service:								
Principal	-	-	-	-	-	-	128,000	128,000
Interest	-	-	-	-	-	-	100,658	100,658
TOTAL EXPENDITURES:	<u>1,779,520</u>	<u>1,838,434</u>	<u>916,923</u>	<u>1,397,807</u>	<u>212,783</u>	<u>838,092</u>	<u>1,925,421</u>	<u>8,908,980</u>
Excess (deficiency) of revenues over expenditures	176,033	62,607	123,105	24,080	59,256	(836,225)	121,345	(269,799)
Other financing sources (uses):								
Proceeds from sale of asset	813,020	-	-	-	-	-	-	813,020
Transfers to other funds	(49,797)	-	-	-	-	-	-	(49,797)
Transfers from other funds	-	-	-	-	-	-	58,149	58,149
Total other financing sources (uses)	<u>763,223</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>58,149</u>	<u>821,372</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	939,256	62,607	123,105	24,080	59,256	(836,225)	179,494	551,573
Fund balance, beginning, as restated	<u>6,456,693</u>	<u>1,515,432</u>	<u>288,228</u>	<u>1,568,770</u>	<u>-</u>	<u>3,187,241</u>	<u>3,202,909</u>	<u>16,219,273</u>
Fund balance, ending	<u>\$ 7,395,949</u>	<u>\$ 1,578,039</u>	<u>\$ 411,333</u>	<u>\$ 1,592,850</u>	<u>\$ 59,256</u>	<u>\$ 2,351,016</u>	<u>\$ 3,382,403</u>	<u>\$ 16,770,846</u>

The accompanying notes are an integral part of this statement.

WEST FELICIANA PARISH POLICE JURY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013

Net change in fund balances - governmental funds	\$	551,573
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The change in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay and other capitalized purchases	1,247,399		
Depreciation expense	<u>(700,772)</u>		546,627

Net book value of sold asset		(40,000)
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds.

Bond principal payments	128,000		
Compensated absences	(10,996)		
Change in accrued interest on long-term debt	(30,153)		
Claims and judgments expense	(200,000)		
Other post-employment benefit expense	<u>(4,138)</u>		<u>(117,287)</u>

Change in net position of governmental activities	\$	<u>940,913</u>
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The accompanying notes are an integral part of this statement.

WEST FELICIANA PARISH POLICE JURY
STATEMENT OF NET POSITION
ENTERPRISE FUNDS
DECEMBER 31, 2013

	Waterworks District No. 13	Hardwood Sewer	Solitude Sewer	Turner Sewer	Independence Sewer	Total
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 348,692	\$ 25,918	\$ -	\$ 346	\$ -	\$ 374,956
Investments	319,727	-	-	-	-	319,727
Receivables, net						
Accounts	65,485	3,773	4,397	6,211	2,370	82,236
Taxes	166	-	-	-	-	166
Due from other funds	82,963	-	-	-	-	82,963
Due from other governments	-	-	-	-	419,244	419,244
Prepaid items	15,995	727	367	209	-	17,298
Total current assets	833,028	30,418	4,764	6,766	421,614	1,296,590
Restricted assets						
Cash and cash equivalents	155,183	-	-	-	81,400	236,583
Investments	205,276	-	-	-	-	205,276
Total restricted assets	360,459	-	-	-	81,400	441,859
Noncurrent assets						
Capital assets, net of depreciation	5,162,755	82,697	1,089,998	-	3,642,723	9,978,173
Total noncurrent assets	5,162,755	82,697	1,089,998	-	3,642,723	9,978,173
TOTAL ASSETS	6,356,242	113,115	1,094,762	6,766	4,145,737	11,716,622
LIABILITIES						
Current liabilities:						
Accounts payable	33,617	475	878	379	512,226	547,575
Accrued expenses and other liabilities	12,107	721	1,446	199	4,981	19,454
Cash overdraft	-	-	139,415	-	-	139,415
Compensated absences	11,756	-	-	-	-	11,756
Customer deposits	155,183	-	-	-	-	155,183
Due to other funds	9,880	3,053	2,349	932	-	16,214
Bonds payable	82,028	-	8,923	-	1,584	92,535
Total current liabilities	304,571	4,249	153,011	1,510	518,791	982,132
Long-term liabilities:						
Compensated absences	37,133	-	-	-	-	37,133
Net post-employment benefit obligation	2,087	-	-	-	-	2,087
Bonds payable	2,102,086	-	606,578	-	251,322	2,959,986
Total long-term liabilities	2,141,306	-	606,578	-	251,322	2,999,206
TOTAL LIABILITIES	2,445,877	4,249	759,589	1,510	770,113	3,981,338
NET POSITION						
Net investment in capital assets	2,978,641	82,697	474,497	-	3,389,817	6,925,652
Debt service	205,276	-	-	-	-	205,276
Capital improvements	-	-	-	-	81,400	81,400
Unrestricted (deficit)	726,448	26,169	(139,324)	5,256	(95,593)	522,956
TOTAL NET POSITION	\$ 3,910,365	\$ 108,866	\$ 335,173	\$ 5,256	\$ 3,375,624	\$ 7,735,284

The accompanying notes are an integral part of this statement.

WEST FELICIANA PARISH POLICE JURY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Waterworks District No. 13	Hardwood Sewer	Solitude Sewer	Turner Sewer	Independence Sewer	Total
OPERATING REVENUES:						
Charges for services	\$ 1,320,432	\$ 30,416	\$ 60,316	\$ 12,119	\$ 2,370	\$ 1,425,653
Connection and other fees	93,684	-	-	-	-	93,684
Total operating revenues	1,414,116	30,416	60,316	12,119	2,370	1,519,337
OPERATING EXPENSES:						
Salaries and employee benefits	636,294	44,573	22,147	12,689	-	715,703
Depreciation	279,427	5,446	44,504	-	22,910	352,287
Repairs and maintenance	82,164	14,570	18,479	3,935	5,000	124,148
Professional services	14,378	-	-	-	-	14,378
Insurance expense	18,882	3,699	2,143	1,381	-	26,105
Utilities	142,342	1,865	5,592	1,553	-	151,352
Bad debts	132,181	-	-	-	-	132,181
Supplies	29,699	-	-	-	-	29,699
Office supplies	28,599	-	-	-	-	28,599
Rent	4,800	-	-	-	-	4,800
Fuel	40,907	-	-	-	-	40,907
Dues and fees	13,719	-	-	-	-	13,719
Other operating expenses	14,910	5,199	201	-	-	20,310
Total operating expenses	1,438,302	75,352	93,066	19,558	27,910	1,654,188
INCOME (LOSS) FROM OPERATIONS	(24,186)	(44,936)	(32,750)	(7,439)	(25,540)	(134,851)
NON-OPERATING REVENUES (EXPENSES):						
Ad valorem taxes	166	-	-	-	-	166
Other revenues	309	-	-	-	1,014	1,323
Grants and contributions	97,306	-	-	-	1,808,151	1,905,457
Interest expense	(115,105)	-	(27,732)	-	(13,611)	(156,448)
Total nonoperating revenues (expenses)	(17,324)	-	(27,732)	-	1,795,554	1,750,498
INCOME (LOSS) BEFORE TRANSFERS	(41,510)	(44,936)	(60,482)	(7,439)	1,770,014	1,615,647
Transfers in	-	-	-	-	7,524	7,524
Transfers out	-	-	(15,876)	-	-	(15,876)
	-	-	(15,876)	-	7,524	(8,352)
CHANGE IN NET POSITION	(41,510)	(44,936)	(76,358)	(7,439)	1,777,538	1,607,295
NET POSITION:						
Balance, beginning of year, as restated	3,951,875	153,802	411,531	12,695	1,598,086	6,127,989
Balance, end of year	\$ 3,910,365	\$ 108,866	\$ 335,173	\$ 5,256	\$ 3,375,624	\$ 7,735,284

The accompanying notes are an integral part of this statement.

WEST FELICIANA PARISH POLICE JURY
STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Waterworks District No. 13</u>	<u>Hardwood Sewer</u>	<u>Solitude Sewer</u>	<u>Turner Sewer</u>	<u>Independence Sewer</u>	<u>Total</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>						
Receipts from customers and others	\$ 1,547,644	\$ 26,643	\$ 74,581	\$ 13,731	\$ 92,982	\$ 1,755,581
Payments to suppliers for goods and services	(515,821)	(24,864)	(189)	(6,866)	(19)	(547,759)
Payments to employees for services and benefits	(610,548)	(44,573)	(22,147)	(12,689)	-	(689,957)
Net cash provided by (used in) operating activities	<u>421,275</u>	<u>(42,794)</u>	<u>52,245</u>	<u>(5,824)</u>	<u>92,963</u>	<u>517,865</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</u>						
Grants and other contributions	97,166	-	-	-	1,809,165	1,906,331
Transfers in from other funds	-	-	-	-	7,524	7,524
Transfers out to other funds	-	-	(15,876)	-	-	(15,876)
Change in due (from) to other funds	(48,946)	3,053	(89)	431	-	(45,551)
Net cash provided by (used in) noncapital financing activities	<u>48,220</u>	<u>3,053</u>	<u>(15,965)</u>	<u>431</u>	<u>1,816,689</u>	<u>1,852,428</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</u>						
Acquisition of capital assets	(169,024)	-	-	-	(1,828,870)	(1,997,894)
Principal payments on debt	(83,428)	-	(8,548)	-	(94)	(92,070)
Interest paid on debt	(115,105)	-	(27,732)	-	(13,611)	(156,448)
Net cash provided by (used in) capital and related financing activities	<u>(367,557)</u>	<u>-</u>	<u>(36,280)</u>	<u>-</u>	<u>(1,842,575)</u>	<u>(2,246,412)</u>
<u>CASH FLOW FROM INVESTING ACTIVITIES:</u>						
Interest earnings	309	-	-	-	-	309
Net cash provided by (used in) investing activities	<u>309</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>309</u>
 Net increase (decrease) in cash and cash equivalents	 102,247	 (39,741)	 -	 (5,393)	 67,077	 124,190
Cash and cash equivalents, beginning of the year	<u>401,628</u>	<u>65,659</u>	<u>-</u>	<u>5,739</u>	<u>14,323</u>	<u>487,349</u>
Cash and cash equivalents, end of the year	<u>\$ 503,875</u>	<u>\$ 25,918</u>	<u>\$ -</u>	<u>\$ 346</u>	<u>\$ 81,400</u>	<u>\$ 611,539</u>
 Reconciliation of operating income to net cash provided by (used in) operating activities:						
Operating income (loss)	\$ (24,186)	\$ (44,936)	\$ (32,750)	\$ (7,439)	\$ (25,540)	\$ (134,851)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation	279,427	5,446	44,504	-	22,910	352,287
Bad debts	132,181	-	-	-	-	132,181
(Increase) decrease in accounts receivable	107,822	(3,773)	14,265	1,612	(2,370)	117,556
(Increase) decrease in due from other governments	-	-	-	-	(419,244)	(419,244)
(Increase) decrease in prepaid items	(13,741)	(727)	(367)	(209)	-	(15,044)
Increase (decrease) in accounts payable	(85,419)	475	353	27	512,226	427,662
Increase (decrease) in accrued expenses and other liabilities	(17,879)	-	(14,837)	185	4,981	(27,550)
Increase (decrease) in customer deposits	25,706	-	-	-	-	25,706
Increase (decrease) in compensated absences	15,277	-	-	-	-	15,277
Increase (decrease) in net post-employment benefit obligation	2,087	-	-	-	-	2,087
Increase (decrease) in cash overdraft	-	721	41,077	-	-	41,798
Total adjustments	<u>445,461</u>	<u>2,142</u>	<u>84,995</u>	<u>1,615</u>	<u>118,503</u>	<u>652,716</u>
Net cash provided by (used in) operating activities	<u>\$ 421,275</u>	<u>\$ (42,794)</u>	<u>\$ 52,245</u>	<u>\$ (5,824)</u>	<u>\$ 92,963</u>	<u>\$ 517,865</u>

The accompanying notes are an integral part of this statement.

WEST FELICIANA PARISH POLICE JURY
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2013

	Hospital Maintenance	Library Tax	Sales Tax	Totals
<u>ASSETS</u>				
Cash and cash equivalents	\$ -	\$ 22,573	\$ 105,018	\$ 127,591
Taxes receivables	657,535	82,289	-	739,824
TOTAL ASSETS	657,535	104,862	105,018	867,415
<u>LIABILITIES</u>				
Accounts payable	-	1,782	1,791	3,573
Cash overdraft	313,154	-	-	313,154
Due to other governmental agencies	344,381	103,080	103,227	550,688
TOTAL LIABILITIES	\$ 657,535	\$ 104,862	\$ 105,018	\$ 867,415

The accompanying notes are an integral part of this statement.

WEST FELICIANA PARISH POLICE JURY
WEST FELICIANA PARISH HOSPITAL SERVICE DISTRICT NO. 1 (1)
DISCRETELY PRESENTED BUSINESS -TYPE COMPONENT UNIT
STATEMENT OF NET POSITION
DECEMBER 31, 2013

ASSETS

Current assets:

Cash and cash equivalents	\$ 4,300,293
Certificates of deposit	3,457,256
Taxes receivable	648,734
Accounts receivable, net	3,587,253
Inventory	451,569
Prepaid items	247,700
Total current assets	12,692,805

Restricted assets

Cash and cash equivalents	2,576,977
Certificates of deposit	2,305,933
Investments	5,657,008
Total restricted assets	10,539,918

Noncurrent assets:

Capital assets, net of depreciation	6,747,983
Total noncurrent assets	6,747,983

TOTAL ASSETS	29,980,706
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LIABILITIES

Current liabilities:

Accounts payable	420,225
Accrued expenses and other liabilities	676,807
Total current liabilities	1,097,032

NET POSITION

Net investment in capital assets	6,747,983
Restricted for capital projects	10,539,918
Unrestricted	11,595,773
TOTAL NET POSITION	\$ 28,883,674

(1) As of October 31, 2013

The accompanying notes are an integral part of this statement.

WEST FELICIANA PARISH POLICE JURY
WEST FELICIANA PARISH HOSPITAL SERVICE DISTRICT NO. 1 (1)
DISCRETELY PRESENTED BUSINESS -TYPE COMPONENT UNIT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013

OPERATING REVENUES:

Charges for services	\$ 13,552,758
Other operating revenues	3,826,214
Total operating revenues	<u>17,378,972</u>

OPERATING EXPENSES:

Salaries and employee benefits	7,353,027
Depreciation	923,093
Professional services	3,263,091
Bad debts	2,852,477
Supplies	1,323,998
Other operating expenses	2,191,386
Total operating expenses	<u>17,907,072</u>

INCOME (LOSS) FROM OPERATIONS	<u>(528,100)</u>
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NON-OPERATING REVENUES (EXPENSES):

Interest income	161,863
Interest expense	(3,924)
Sales taxes	1,417,091
Ad valorem taxes	510,035
State revenue sharing	22,117
Gain on sale of assets	5,356
Other non-operating revenues	46,082
Total nonoperating revenues (expenses)	<u>2,158,620</u>

CHANGE IN NET POSITION	1,630,520
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NET POSITION:

Balance, beginning of year, as restated	<u>27,253,154</u>
Balance, end of year	<u><u>\$ 28,883,674</u></u>

(1) For the year ended October 31, 2013

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

INTRODUCTION

The West Feliciana Parish Police Jury (hereafter referred to as the Police Jury) is the governing authority for West Feliciana Parish and is a political subdivision of the State of Louisiana. Seven jury members, representing the individual districts within West Feliciana Parish, govern the Police Jury. They serve four-year terms.

Louisiana Revised Statute 33:1236 gives the Police Jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of these are the power to make regulations for its own governments; to regulate the construction and maintenance of roads, bridges and drainage systems; to regulate the sale of alcoholic beverages; and to provide for the health and welfare of the poor, disadvantaged and unemployed in the parish.

The West Feliciana Parish Police Jury (was originally governed by the provisions of the Lawarson Act, La. Revised Statute 33:321-481. The electorate adopted a Home Rule Charter on November 26, 2012, that would become effective on January 1, 2014. The Charter provided for a mayor-council form of government. The Council is elected to member districts. There are currently seven police jurors serving as council members and they are compensated for their services.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the West Feliciana Parish Police Jury have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Private Sector Standards of Accounting issued on or prior to November 30, 1989 generally are followed in both the government wide financial statements and the proprietary fund type financial statements as made applicable through GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*

A. Financial Reporting Entity

The financial reporting entity consists of the primary government and organizations for which the primary government is financially accountable and a financial benefit/burden relationship exists.

Governmental accounting standards establishes the criteria for determining which component units should be considered part of the consolidated government for financial reporting purposes. The basic criteria are as follows:

1. Legal status of the potential component unit
2. Financial accountability
 - a. The primary government appoints a voting majority of the potential component units governing body and the primary government is able to impose its will on the potential component unit or
 - b. When a potential component unit is fiscally dependent on the primary government regardless of whether the organization has separately elected officials or boards.
3. Financial benefit/burden relationship between the Police Jury and the potential component unit.
4. Misleading to exclude due to the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading.

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Financial Reporting Entity (continued)

The 20th Judicial District Criminal Court (Criminal Court Fund), the West Feliciana Library, and Waterworks District No. 13 are separate legal entities but are considered blended component units. The Criminal Court Fund and the West Feliciana Library have been reported in special revenue funds in the accompanying financial statements. Waterworks District No. 13 has been reported in enterprise funds in the accompanying financial statements.

The West Feliciana Parish Hospital is presented in the financial statements as a discrete component unit – business-type activity.

Component units of the Police Jury for which financial statements are issued separately from the Police Jury include (1) Gas Utility District No.1; (2) West Feliciana Parish Fire Protection District No. 1; (3) West Feliciana Parish 911 Communications District; (4) West Feliciana Parish Clerk of Court; (5) West Feliciana Parish Sheriff; (6) the West Feliciana Parish Assessor; (7) West Feliciana Parish Tourist Commission; and (8) West Feliciana Parish District Attorney.

B. Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

C. Fund Financial Statements

Emphasis of fund financial reporting is on the major fund level in either the governmental or business-type categories. Major funds are presented alone in a separate column, while non-major funds are summarized into a single column in the basic financial statements.

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Fund Financial Statements (continued)

The daily accounts and operations of the Police Jury are organized on the basis of individual funds, each of which is considered a separate accounting entity. The operations of each fund, both major and non-major, are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds of the primary government are grouped into generic fund types and broad fund categories as presented below, along with identification of major funds.

Governmental activities presented as governmental funds in the fund financial statements are as follows:

General Fund – The General Fund is the general operating fund of the Police Jury. The General Fund accounts for all financial resources except those required to be accounted for in other funds. The General Fund is always a major fund.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted or committed to expenditures for specified purposes. Special Revenue funds that are considered to be major funds are the Buildings and Grounds Fund, Recreation Fund, Road Improvement Fund, and the Economic Development Fund.

Debt Service Funds – Debt Service Funds are used to account for the accumulation of resources for and the payment of general long-term debt principal, interest and related costs.

Capital Project Funds – Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The Library Construction Fund is a major fund.

Enterprise funds are used to account for operations (1) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs and expenses, including depreciation, of providing goods or services to the public on a continuing basis be financed or recovered primarily through user charges; or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Enterprise funds are presented in the business-type activities column in the government wide financial statements. The major enterprise funds are Waterworks District No. 13, Solitude Sewer, and Independence Sewer.

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Fund Financial Statements (continued)

Fiduciary funds account for resources held in trust for other parties. As such, the Police Jury has no equity in these funds. They utilize the flow of economic resources measurement focus and the accrual basis of accounting. Fiduciary funds of the Police Jury include:

Agency Funds - Agency Funds accounts for assets that do not belong to Police Jury and cannot be used to finance the Police Jury's own operating programs.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Police Jury considers tax revenues to be available if they are collected within 60 days of the end of the current fiscal period, while intergovernmental (grant) revenues are considered available if received within one year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The Police Jury's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the Police Jury's investment policy allow the Police Jury to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government-backed securities.

E. Activity Between Funds

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds".

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Ad Valorem Taxes and Sales Tax

Ad valorem taxes are collected by the West Feliciana Parish Tax Collector's Office and remitted to the Police Jury on a monthly basis. Values are established by the West Feliciana Parish Assessor's Office each year.

Ad valorem taxes are assessed and levied on a calendar year basis, based on the assessed value on January 1 of the assessment year. However, before taxes can be levied, the tax rolls must be submitted to the State Tax Commission for approval. Taxes are due and payable by November 15. An enforceable lien attaches on the property as of November 15. As of December 31, taxes become delinquent and interest and penalty accrue. Taxes are generally collected in January, February and March of the fiscal year.

Total assessed value was \$286,207,741 in 2013. Louisiana state law exempts the first \$75,000 of assessed value of a tax payer's primary residence from parish property taxes. This homestead exemption was \$17,377,050 of the assessed value in calendar year 2013.

The following are the Police Jury authorized and levied ad valorem taxes for 2013:

	<u>Expiration Date</u>	<u>Authorized Millage</u>	<u>Levied Millage</u>
General Fund	N/A	3.57	3.51
Social Service	2016	.10	.10
Improvement Funds	2016	8.89	8.89
Health Service	2016	1.48	1.48
Economic Development	2017	1.00	1.00
Hospital	2016	2.20	1.97
Library (Bond)	2031	1.15	1.15
Library	2031	1.50	1.50

The Police Jury is authorized to levy a one percent sales and use tax for all sales within the incorporated area of the Town of St. Francisville. The Police Jury is authorized to levy a two percent sales and use tax for all sales outside the incorporated area of the Town of St. Francisville.

G. Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

H. Restricted Assets

Certain proceeds for customer deposits, capital and merchandise, grants, road improvement, construction projects, and debt service are classified as restricted assets on the statement of net position because their use is limited.

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (roads, bridges, sidewalks, sewer infrastructure, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Police Jury maintains a threshold level of \$5,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings	40 years
Equipment	3-10 years
Furniture and fixtures	3-10 years
Library collection	3-5 years
Vehicles	5 years
Infrastructure	40-50 years

J. Compensated Absences

The Police Jury allows annual leave to regular full-time employees based on length of service. No leave is earned, however, while on suspension or leave without pay status. Annual leave may be carried over to the next calendar year. There is no limit on the amount of annual leave an employee may accumulate during the term of his/her employment, but it is with an understanding that only a maximum of 240 hours will be paid to the employees upon retirement or separation. Employees are not paid for their unused annual leave at year-end, but are paid for accumulated, unused leave upon termination.

Police Jury regular full-time employees earn a certain amount of sick leave each year, depending upon the length and their employment status. Sick leave can be accumulated without limitation. Upon separation of employment, excluding retirement, no sick leave shall be paid to employees. The balance of the sick leave shall be kept on the schedule for a period of five years and reinstated if the employee is rehired.

Police Jury regular full-time employees may accrue compensatory time in lieu of overtime payment. Compensatory time may be carried over to the next calendar year. There is no limit on the amount of compensatory time an employee may accumulate during the term of his/her employment, but is with an understanding that only a maximum of 40 hours will be paid to employees upon retirement or separation.

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Compensated Absences (continued)

In the government-wide financial statements and the propriety fund types fund statements, the total compensated absences liability is recorded as an expense and a long-term obligation and allocated on a functional basis. In accordance with GASB Interpretation No.6 *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, (issued in March of 2000), no compensated absences liability is recorded at December 31, 2013, in the governmental fund financial statements. The liquidation of the compensated absence liabilities will be paid proportional to funds in which the compensation was paid, primarily the general and proprietary funds.

K. Fund Balance

The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance – amounts that are not in a spendable form (such as inventory or prepaid expenses) or are required to be maintained intact;
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantor, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority by a vote of the Police Jury; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governmental body delegates the authority such as the Police Jury's management;
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

When expenditures are incurred for the purposes for which both restricted and unrestricted fund balance is available the Police Jury considers restricted funds to have been spent first. When expenditures are incurred for which other fund balances are available, the Police Jury considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Police Jury has provided otherwise in its commitment or assignment actions.

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. Net Position

The Police Jury has implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective fiscal year 2013. This standard provides guidance for reporting the financial statement elements of deferred outflows of resources and deferred inflows of resources. Deferred outflows represent the consumption of the government's net position that is applicable to a future reporting period. A deferred inflow represents the acquisition of net position that is applicable to a future reporting period.

Because deferred outflows and deferred inflows are, by definition, neither assets nor liabilities, the statement of net assets title is now referred to as the statement of net position. The statement of net position reports net position as the difference between all other elements in a statement of net position and should be displayed in three components—net investment in capital assets, restricted net position (distinguishing between major categories of restrictions), and unrestricted net position.

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of borrowings for capital asset acquisition, construction, or improvement of those assets, increased by deferred outflows of resources attributable to capital asset acquisition, construction or improvement, and deferred inflows of resources attributable to either capital asset acquisition, construction, or improvement or to capital asset related debt. Capital-related debt or deferred inflows equal to unspent capital asset related debt proceeds or deferred inflows of resources is included in calculating either restricted or unrestricted net position, depending upon whether the unspent amounts are restricted.

Restricted net position reflects net position when there are limitations imposed on a net position's use by external parties such as creditors, grantors, laws or regulations of other governments. Restricted net position consists of restricted assets less liabilities related to restricted assets less deferred inflows related to restricted assets. Liabilities and deferred inflows related to restricted assets include liabilities and deferred inflows to be liquidated with restricted assets and arising from the same resource flow that results in restricted assets. When both restricted and unrestricted resources are available for use, it is the Police Jury's policy to use restricted resources first, then unrestricted resources as they are needed.

Unrestricted net position is the balance (deficit) of all other elements in a statement of net position remaining after net investment in capital assets and restricted net position.

GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, was issued in March 2012 and is effective for fiscal years beginning after December 15, 2012. However, early implementation is permitted, and therefore, the Police Jury has chosen to implement this standard effective fiscal year 2013. This standard provides guidance for reporting the financial statement elements of deferred outflows of resources and deferred inflows of resources, required by GASB Statement No. 63, as applied to the governmental fund statements. In addition to identifying which items should be reported in these new categories in proprietary fund, fiduciary fund, government-wide statements of net position and governmental fund balance sheets, GASB Statement No. 65 also identifies certain items previously reported as assets and liabilities that the GASB determined should be recognized as revenues, expenses, or expenditures when incurred and not reported in statements of net position/balance sheets.

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The Police Jury follows these procedures in establishing the budgetary data reflected in these financial statements:

- a. A letter of request is sent on or about October 1 to each department head requesting submission of operating budget along with the capital outlay budget request. Each department head is encouraged to seek help from the finance department and have their final budget requests in the main office by October 20.
- b. The Parish Manager submits to the Police Jury a proposed operating budget at least forty-five days prior to the beginning of each fiscal year. The operating budget includes proposed expenditures and total anticipated revenues.
- c. At the meeting of the Police Jury at which the operating budget is submitted, the Jury orders a public hearing on it. At least ten days prior to the date of such hearing, the council publishes in the official journal a general summary of the proposed budget.
- d. At least ten days prior to the date of such hearing, the Police Jury publishes in the official journal a general summary of the proposed budget.
- e. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally enacted through passage of a resolution, no later than the fifteenth day of the last month of the fiscal year.
- f. Budgetary amendments involving the transfer of funds from one department, office, or agency to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the adoption of a resolution by the Police Jury.
- g. Every appropriation, except an appropriation for a capital expenditure, lapses at the close of the fiscal year to the extent that it has not been expended.
- h. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended from time to time by the Police Jury.

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

3. DEPOSITS, CASH EQUIVALENTS, AND INVESTMENTS

At December 31, 2013, the primary government had cash and cash equivalent (book balances) totaling \$526,341 consisting of deposits with financial institutions. These deposits were stated at cost, which approximates market. Deposits in financial institutions can be exposed to custodial credit risk. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

Governmental Accounting Standards Board (GASB) Statement No. 40, "*Deposit and Investment Risk Disclosures*" requires disclosure of custodial credit risk for bank deposits. Custodial risk is the risk that in the event of bank failure, the government's deposits may not be returned. Under the state law, all deposits are required to be secured by federal depository insurance or the pledge of securities held by the pledging banks agent in the Police Jury's name. At December 31, 2013, the primary government's bank balances excluding the West Feliciana Library amounted to \$807,784. Of the bank balances, \$500,000 was covered by federal depository insurance and the remaining balance was protected against custodial credit risk by collateral held by the pledging banks' trust department or agent in the Police Jury's name.

Investments:

As of December 31, 2013, the primary government had the following investments and maturities:

INVESTMENT MATURITIES (IN YEARS)

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>
LAMP	<u>\$ 12,859,199</u>	<u>\$ 12,859,199</u>	<u>\$ -</u>	<u>\$ -</u>

Interest Rate Risk- The primary government's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk- Under Louisiana R.S. 33:2955, as amended, the Police Jury may invest in obligation of the U.S. Treasury, U.S. Agencies and instrumentalities, repurchase agreements, certificates of deposits, Louisiana Asset Management Pool (LAMP), and other investments as provided in the statute. The Police Jury's policy does not further limit its investment choices. As of December 31, 2013, the Police Jury's investment in LAMP was rated AAA by Standard & Poor's.

Concentration of Credit Risk- The primary government does not have a limit on the amount the primary government may invest in one issuer. One hundred percent of the primary government's investments are in LAMP funds.

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

3. DEPOSITS, CASH EQUIVALENTS, AND INVESTMENTS (continued)

Investments: (continued)

Investments held at December 31, 2013 for the primary government include \$12,859,199 in the Louisiana Asset Management Pool (LAMP), a local government investment pool.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

Effective August 1, 2001, LAMP's Investment Guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivision of the State to invest in "Investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

Interest rate risk- The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 60 days and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares. LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

Custodial credit risk- LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

3. DEPOSITS, CASH EQUIVALENTS, AND INVESTMENTS (continued)

Investments: (continued)

As of December 31, 2013, the discretely presented component unit had the following investments and maturities:

INVESTMENT MATURITIES (IN YEARS)

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>
U.S. Agencies	\$ 5,408,132	\$ 708,431	\$ 4,699,701	\$ -
US. Treasury Bills	248,876	-	248,876	-
Total	<u>\$ 5,657,008</u>	<u>\$ 708,431</u>	<u>\$ 4,948,577</u>	<u>\$ -</u>

The discretely presented component unit has certificates of deposit with various federally insured financial institutions. The certificates of deposit bear interest at rates ranging from 0.05% to 3.92% per annum and have maturity dates ranging from six months to five years.

4. ACCOUNTS RECEIVABLE AND DUE FROM OTHER GOVERNMENTS

Accounts receivable and due from other governments consists of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts are based upon historical trends, period aging and prior write-offs of similar accounts receivable, receivables balances, ad valorem, sales, and franchise tax collections.

Accounts receivable and due from other governments for the primary government at December 31, 2013 were as follows:

Governmental Activities:

	<u>Ad valorem Taxes</u>	<u>Sales Taxes</u>	<u>Service Fees and Other</u>	<u>Total</u>
General	\$ 929,013	\$ 9,385	\$ 49,734	\$ 988,132
Buildings and Grounds	749,950	-	-	749,950
Recreation	383,626	53,179	1,115	437,920
Road Improvement	1,128,312	-	41,117	1,169,429
Economic Development	253,495	-	-	253,495
Non-Major Governmental Funds	<u>974,824</u>	<u>94,914</u>	<u>10,262</u>	<u>1,080,000</u>
Total	<u>\$ 4,419,220</u>	<u>\$ 157,478</u>	<u>\$ 102,228</u>	<u>\$ 4,678,926</u>

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

4. ACCOUNTS RECEIVABLE AND DUE FROM OTHER GOVERNMENTS (continued)

Business-type Activities:

	Waterworks District No. 13	Combined Sewer Funds	Total
Operating fund	\$ 196,651	\$ 435,995	\$ 632,646
Allowance for uncollectible Accounts	<u>(131,000)</u>	<u>-</u>	<u>(131,000)</u>
Total	<u>\$ 65,651</u>	<u>\$ 435,995</u>	<u>\$ 501,646</u>

Accounts receivable and taxes receivable for the discretely presented component unit at December 31, 2013 were as follows:

Total patient accounts receivable	\$ 4,983,715
Accrued uncompensated care	1,603,314
Medicare/Medicaid EBR incentive payment receivable	860,738
Uncollected sales tax revenue	223,162
Uncollected ad valorem tax revenue	425,572
All other	(18,955)
Less: allowance for uncollectible accounts	<u>(3,841,559)</u>
Accounts receivable and taxes receivable, net	<u>\$ 4,235,987</u>

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

5. CAPITAL ASSETS

A. Governmental Activities

The following is a summary of the changes in capital assets for the primary government for the year ended December 31, 2013:

<u>Cost</u>	Balance 12/31/2012	Additions	Deletions	Balance 12/31/2013
Land	\$ 1,428,267	\$ -	\$ (40,000)	\$ 1,388,267
Construction in progress	357,343	838,092		1,195,435
	<u>1,785,610</u>	<u>838,092</u>	<u>(40,000)</u>	<u>2,583,702</u>
<u>Depreciable</u>				
Buildings	12,427,398	158,957	-	12,586,355
Equipment	1,917,118	106,032	-	2,023,150
Furniture and fixtures	77,689	-	-	77,689
Library collection	250,009	49,934	(51,577)	248,366
Infrastructure	5,152,664	83,484	-	5,236,148
Vehicles	583,192	10,900	-	594,092
	<u>20,408,070</u>	<u>409,307</u>	<u>(51,577)</u>	<u>20,765,800</u>
<u>Less: accumulated depreciation</u>				
Buildings	(2,015,290)	(338,766)	-	(2,354,056)
Equipment	(1,461,100)	(115,721)	-	(1,576,821)
Furniture and fixtures	(62,022)	(6,268)	-	(68,290)
Library collection	(200,819)	(27,043)	51,577	(176,285)
Infrastructure	(1,911,511)	(162,178)	-	(2,073,689)
Vehicles	(418,942)	(50,796)	-	(469,738)
	<u>(6,069,684)</u>	<u>(700,772)</u>	<u>51,577</u>	<u>(6,718,879)</u>
Net capital assets being depreciated	<u>14,338,386</u>	<u>(291,465)</u>	<u>-</u>	<u>14,046,921</u>
Total capital assets, net	<u>\$ 16,123,996</u>	<u>\$ 546,627</u>	<u>\$ (40,000)</u>	<u>\$ 16,630,623</u>

Depreciation expense totaling \$700,772 for the year ended December 31, 2013 was charged to the following government functions:

General government	\$ 157,230
Culture and recreation	74,024
Economic development	18,734
Health and welfare	31,328
Public safety	13,943
Public works	332,320
Capital outlay	73,193
Total	<u>\$ 700,772</u>

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

5. CAPITAL ASSETS (continued)

B. Business-type Activities

The following is a summary of the changes in capital assets for the primary government for the year ended December 31, 2013:

<u>Cost</u>	<u>Balance</u> <u>12/31/2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2013</u>
Construction in progress	\$ 1,836,763	\$ -	\$ (1,836,763)	\$ -
<u>Depreciated</u>				
Utility systems	11,684,547	3,795,917	-	15,480,464
Equipment	191,296	25,840	-	217,136
Vehicles	74,100	12,900	-	87,000
	<u>11,949,943</u>	<u>3,834,657</u>	<u>-</u>	<u>15,784,600</u>
<u>Less: accumulated depreciation</u>				
Utility Systems	(5,319,279)	(320,544)	-	(5,639,823)
Equipment	(70,695)	(25,592)	-	(96,287)
Vehicles	(64,166)	(6,151)	-	(70,317)
	<u>(5,454,140)</u>	<u>(352,287)</u>	<u>-</u>	<u>(5,806,427)</u>
Net capital assets being depreciated	<u>6,495,803</u>	<u>3,482,370</u>	<u>-</u>	<u>9,978,173</u>
Total capital assets, net	<u>\$ 8,332,566</u>	<u>\$ 3,482,370</u>	<u>\$ (1,836,763)</u>	<u>\$ 9,978,173</u>

The following is a summary of the changes in capital assets for the discretely presented component unit for the year ended December 31, 2013:

<u>Cost</u>	<u>Balance</u> <u>12/31/2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2013</u>
Land and land improvements	\$ 554,633	\$ 818,244	\$ -	\$ 1,372,877
Buildings and land improvements	6,070,058	53,974	-	6,124,032
Equipment	6,015,056	497,900	(98,941)	6,414,015
Construction in progress	49,465	234,678	-	284,143
	<u>12,689,212</u>	<u>1,604,796</u>	<u>(98,941)</u>	<u>14,195,067</u>
<u>Less: accumulated depreciation</u>				
	<u>(6,622,932)</u>	<u>(923,093)</u>	<u>(98,941)</u>	<u>(7,447,084)</u>
Total capital assets, net	<u>\$ 6,066,280</u>	<u>\$ 681,703</u>	<u>\$ -</u>	<u>\$ 6,747,983</u>

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

6. INTERFUND BALANCES

From time to time, cash may be borrowed between funds or costs may be fronted by one fund for another fund resulting in interfund balances. The amounts are not expected to be repaid within one year as they depend on the timing of receipts in other funds. The following inter-fund balances exist at December 31, 2013.

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General	\$ 1,113,643	\$ 84,137
Buildings and Grounds	-	37,766
Recreation	-	521,567
Road Improvement	39,638	94,004
Economic Development	-	451,409
Waterworks District No. 13	82,963	9,880
Hardwood Sewer	-	3,053
Solitude Sewer	-	2,349
Turner Sewer	-	932
Non-Major Governmental Funds	8,103	39,250
	<u>\$ 1,244,347</u>	<u>\$ 1,244,347</u>

7. INTERFUND TRANSFERS

Transfers between funds occur to provide reimbursement of certain operating costs and are not expected to be repaid. Transfers between funds during 2013 occurred as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ -	\$ 49,797
Solitude Sewer	-	15,876
Independence Sewer	7,524	-
Non-Major Governmental Funds	58,149	-
	<u>\$ 65,673</u>	<u>\$ 65,673</u>

8. GOVERNMENTAL ACTIVITIES LONG-TERM OBLIGATIONS

a. Activities

Long-term liability activity of governmental activities for the year ended December 31, 2013 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due within One Year</u>
Bonds Payable	\$3,717,000	\$ -	\$(128,000)	\$ 3,589,000	\$ 154,000
Net Post-Employment Benefits	-	4,138	-	4,138	-
Compensated Absences	122,963	78,459	(67,463)	133,959	70,006
Claims and Judgments	-	200,000	-	200,000	-
	<u>\$3,839,963</u>	<u>\$ 282,597</u>	<u>\$(195,463)</u>	<u>\$ 3,927,097</u>	<u>\$ 224,006</u>

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

8. GOVERNMENTAL ACTIVITIES LONG-TERM OBLIGATIONS (continued)

b. Bonds Payable

For the purpose of acquiring property to be used for public purposes, the Police Jury issued \$340,000 in general obligation bonds during the year ended December 31, 2008.

For the purpose of constructing a public library building, acquiring furniture and fixtures, and acquiring equipment, the Police Jury issued \$3,500,000 in general obligation bonds during the year ended December 31, 2012.

Bonds outstanding were as follows at December 31, 2013:

	<u>Date of Issue</u>	<u>Original/Notional Balance</u>	<u>Ending Balance</u>
General Obligation Bonds, Series 2008, 3.69%	11/13/2008	\$ 340,000	\$ 184,000
General Obligation Bonds, Series 2012, 2.0% to 3.25%	8/01/2012	3,500,000	3,405,000
		<u>\$ 3,840,000</u>	<u>\$ 3,589,000</u>

Principal and interest payments are due as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 154,000	\$ 90,465	\$ 244,465
2015	165,000	86,710	251,710
2016	172,000	82,769	254,769
2017	178,000	78,653	256,653
2018	185,000	74,401	259,401
2019 - 2023	825,000	316,147	1,141,147
2024 - 2028	985,000	210,966	1,195,966
2029 - 2032	925,000	60,387	985,387
	<u>\$ 3,589,000</u>	<u>\$ 1,000,498</u>	<u>\$ 4,589,498</u>

c. Legal Debt Margin

Computation of legal debt margin for general obligation bonds is as follows:

Ad valorem tax – Assessed valuation, 2013 tax rolls	<u>\$ 286,207,741</u>
Debt limit: 10% of assessed valuation (for any purpose)	<u>\$ 28,620,774</u>
Debt limit: 15% of assessed valuation (for sewerage purposes)	<u>\$ 42,931,161</u>
Debt limit: 35% of assessed valuation (aggregate, all purposes)	<u>\$ 100,172,709</u>

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

9. BUSINESS-TYPE ACTIVITIES LONG-TERM OBLIGATIONS

a. Activities

Long-term debt activity of business-type activities for the year ended December 31, 2013 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due within One Year</u>
Bonds Payable	\$ 3,144,591	\$ -	\$(92,070)	\$ 3,052,521	\$ 92,535
Compensated Absences	33,612	24,845	(9,568)	48,889	11,756
Net Post-Employment Benefits	-	2,087	-	2,087	-
	<u>\$ 3,178,203</u>	<u>\$ 26,932</u>	<u>\$(101,638)</u>	<u>\$ 3,103,497</u>	<u>\$ 104,291</u>

b. Bonds Payable

For the purpose of paying a portion of the costs of constructing and acquiring improvements and renovations to the Solitude sewer system, the Police Jury issued \$429,000 in sewer revenue bonds during the year ended December 31, 2006.

For the purpose of paying a portion of the costs of constructing and acquiring improvements and renovations to the Solitude sewer system, the Police Jury issued \$236,000 in sewer revenue bonds during the year ended December 31, 2006.

For the purpose of paying a portion of the costs of constructing and acquiring improvements and renovations to the Independence sewer system, the Police Jury issued \$253,000 in sewer revenue bonds during the year ended December 31, 2012.

For the purpose of improving and extending the waterworks system, the Consolidated Waterworks District No.13 of West Feliciana Parish issued \$2,600,000 in water revenue bonds during the year ended December 31, 1997.

For the purpose of continuing relocation construction costs related to the waterworks system, the Consolidated Waterworks District No.13 of West Feliciana Parish issued \$268,000 in water revenue bonds during the year ended December 31, 2007.

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

9. BUSINESS-TYPE ACTIVITIES LONG-TERM OBLIGATIONS (continued)

b. Bonds Payable (continued)

Bonds outstanding were as follows at December 31, 2013:

	<u>Date of Issue</u>	<u>Original/Notional Balance</u>	<u>Ending Balance</u>
Sewer Revenue Bonds, Series 2006, 4.25%	6/15/2006	\$ 429,000	\$ 396,784
Sewer Revenue Bonds, Series 2006, 4.75%	6/15/2006	236,000	218,717
Sewer Revenue Bonds, Series 2012, 2.0% to 3.25%	6/01/2012	253,000	252,906
Water Revenue Bonds, Series 1997, 5.0%	3/20/1997	2,600,000	2,060,114
Water Revenue Bonds, Series 2007, 5.0%	10/04/2007	268,000	124,000
		<u>\$ 3,786,000</u>	<u>\$ 3,052,521</u>

Principal and interest payments are due as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 92,535	\$ 154,902	\$ 247,437
2015	94,287	137,679	231,966
2016	99,450	133,175	232,625
2017	103,769	128,424	232,193
2018	74,254	123,465	197,719
2019 - 2023	429,894	558,701	988,595
2024 - 2028	546,927	441,668	988,595
2029 - 2033	696,142	292,453	988,595
2034 - 2038	563,662	117,816	681,478
2039 - 2043	183,256	51,859	235,115
2044 - 2048	130,713	15,194	145,907
2049 - 2052	37,632	2,231	39,863
	<u>\$ 3,052,521</u>	<u>\$ 2,157,567</u>	<u>\$ 5,210,088</u>

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

10. PENSION PLAN

Substantially all employees of the Police Jury are members of the Parochial Employees' Retirement System of Louisiana ("System"), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds are eligible to participate. Contributions of participating agencies are pooled within the System to fund accrued benefits, with contribution rates approved by the Louisiana Legislature.

The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All participants of the Police Jury are members of Plan B. Under Plan B, employees who retire at or after age 62 with at least 10 years of creditable service at or after age 55 with at least 30 years of creditable service are entitled to retirement benefits, payable monthly for life, equal to 2% of their final salary in excess of \$100 for each year of creditable service. Furthermore, employees with at least 10 years of creditable service but less than 30 years may take early retirement benefits at or after age 60, with the benefit reduced 3% for each year retirement precedes age 62. In any case, monthly retirement benefits paid under Plan B cannot exceed the lesser of 100% of final-average salary or 70% multiplied by total years of creditable service.

Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. The same statute establishes these benefits.

Funding policy: Contributions to the System include ¼ of 1% of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge. These tax dollars are divided between Plans A and B, based proportionately on the salaries of the active members of each plan. State statutes require covered employees to contribute a percentage of their salaries to the System. As provided by the Louisiana Revised Statute 11:103, the employer contributions are determined by an actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

Plan B members are required by state statute to contribute 3% of their annual covered salary and the Police Jury is required to contribute an actuarially determined rate. The current rate is 10% for 2013 and 2012, respectively of annual covered payroll. The Police Jury's contributions to the System for the years ending December 31, 2013, 2012, and 2011, were \$252,907, \$246,618, and \$240,256, respectively, equal to the required contributions for each year. Under the present statutes, the Police Jury does not guarantee the benefits granted by the System.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employee' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (504) 928-1361.

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

11. RISK MANAGEMENT

Litigation and General Liability

The Police Jury is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Police Jury has purchased various insurance policies to cover such risks.

The Police Jury is a defendant in various lawsuits. Management and legal counsel for the Police Jury believe that potential claims against the Police Jury not covered by insurance would not materially affect the Police Jury's financial position. An accrual of \$200,000 has been made within the statement of net position to cover any potential exposure.

12. COMPENSATION PAID TO GOVERNING MEMBERS

<u>Name</u>	<u>Title</u>	<u>Amount</u>
Lea R. Williams	Police Juror – District 1	\$ 14,400
Melville R. Percy	Police Juror – District 2	14,400
Melvin Young	Police Juror – District 3	14,400
Merrick R. Lambert	Police Juror – District 4	14,400
John S. Kean, IV	Police Juror – District 5	14,400
Heather R. Howle	Police Juror – District 6	14,400
Otis L. Wilson	Police Juror – District 7	14,400
		<u>\$ 100,800</u>

13. SALE OF ASSET

On August 20, 2013, the Police Jury sold 7.67 acres of land to the West Feliciana Parish Hospital, a discretely presented component unit, for the total purchase price of \$813,020 (\$106,000 per acre).

14. OTHER POST EMPLOYMENT BENEFITS

Plan Description – The Police Jury's medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement. The West Feliciana Library does not provide post-employment benefits.

Most employees are covered by the Parochial Employees' Retirement System of Louisiana, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 10 years of service; or, age 65 and 7 years of service. For employees hired on and after January 1, 2008, retirement eligibility (D.R.O.P. entry) provisions are as follows: age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service.

Contribution Rates – Employees do not contribute to their post-employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

WEST FELICIANA PARISH POLICE JURY
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NOTES TO THE FINANCIAL STATEMENTS

14. OTHER POST EMPLOYMENT BENEFITS (continued)

Fund Policy – Until 2013, the Police Jury recognized the cost of providing post-employment medical benefits (the Police Jury's portion of the retiree medical benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2013, the Police Jury's portion of health care funding cost for retired employees totaled \$265.

Effective January 1, 2013, the Police Jury implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB 45). This amount was applied toward the Net OPEB Benefit Obligation as shown in the following table.

Annual Required Contribution – The Police Jury's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The actuarially computed ARC is as follows:

	2013
Normal cost	\$ 3,073
30-year UAL amortization amount	3,417
Annual required contribution (ARC)	\$ 6,490

Net Post-employment Benefit Obligation (Asset) – The table below shows the Police Jury's Net Other Post-employment Benefit (OPEB) Obligation for fiscal year ending December 31:

	2013
Beginning Net OPEB Obligation	\$ -
Annual required contribution	6,490
Interest on Net OPEB Obligation	-
ARC Adjustment	-
OPEB Cost	6,490
Contribution	-
Current year retiree premium	(265)
Change in Net OPEB Obligation	6,225
Ending Net OPEB Obligation	\$ 6,225

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

14. OTHER POST EMPLOYMENT BENEFITS (continued)

The following table shows the Police Jury's annual post-employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post-employment benefits (PEB) liability for this year:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual Cost Contributed</u>	<u>Net OPEB Liability (Asset)</u>
December 31, 2013	\$ 6,490	4.08%	\$ 6,225

Funded Status and Funding Progress – In 2013, the Police Jury made no contributions to its post-employment benefits plan. The plan is not funded, has no assets, and hence has a funded ratio of zero. Based on the January 1, 2013 actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year December 31, 2013 was \$61,454 which is defined as that portion, as determined by a particular actuarial cost method (the Police Jury uses the Projected Unit Credit Cost Method), of the actuarial present value of post-employment plan benefits and expenses which is not provided by normal cost.

	<u>2013</u>
Actuarial Accrued Liability (AAL)	\$ 61,454
Actuarial Value of Plan Assets (AVP)	-
Unfunded Act. Accrued Liability (UAAL)	\$ 61,454
Funded Ratio (AVP/AAL)	0.00%
Covered Payroll (active plan members)	\$ 2,120,780
UAAL as a percentage of covered payroll	2.90%

Actuarial Methods and Assumptions – Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post-employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

14. OTHER POST EMPLOYMENT BENEFITS (continued)

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the Police Jury and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the Police Jury and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the Police Jury and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

Actuarial Cost Method – The ARC is determined using the Projected Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality and turnover.

Actuarial Value of Plan Assets – There are not any plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Statement 45.

Turnover Rate – An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 10%.

Post employment Benefit Plan Eligibility Requirements – Based on past experience, it has been assumed that entitlement to benefits will commence three years after eligibility to enter the D.R.O.P., as described above under "Plan Description". Medical benefits are provided to employees upon actual retirement.

Investment Return Assumption (Discount Rate) – GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation.

Health Care Cost Trend Rate – The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5.0% for ten years out and later.

Mortality Rate - The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rates and 50% of the unloaded female mortality rates, is used. This is a recently published mortality table which has been used in determining the value of accrued benefits in defined benefit pension plans. Projected future mortality improvement has not been used since it is our opinion that this table contains sufficiently conservative margin for the population involved in this valuation.

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

14. OTHER POST EMPLOYMENT BENEFITS (continued)

Method of Determining Value of Benefits – Retiree medical coverage is available, paid for by the retiree, for the retiree and dependents until the retiree is eligible for Medicare Part B coverage at age 65. The "value of benefits" is normally assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree. In this case, the retiree pays the entire "cost" of the retiree medical premium but it is based on the blended rate and there is thus an implied subsidy which has been used as the basis for calculating the actuarial present value of OPEB benefits in this valuation. It has been assumed that the unblended retiree rate before Medicare eligibility is 30% higher than the total blended rate for this purpose.

Inflation Rate - Included in both the Investment Return Assumption and the Healthcare Cost Trend rates above is an implicit inflation assumption of 2.50% annually.

Projected Salary Increases - This assumption is not applicable since neither the benefit structure nor the valuation methodology involves salary.

Post-retirement Benefit Increases - The plan benefit provisions in effect for retirees as of the valuation date have been used and it has been assumed for valuation purposes that there will not be any changes in the future.

15. CHANGES IN FIDUCIARY FUNDS

A summary of the changes in fiduciary funds (amounts due to other governmental agencies) as follows:

	Hospital Maintenance	Library Tax	Sales Tax	Total
Balance at December 31, 2012	\$ 200,555	\$ 910,349	\$ 108,192	\$ 1,219,096
Additions	1,985,246	92,487	2,880,302	4,958,035
Reductions	(1,528,266)	(897,974)	(2,883,476)	(5,309,716)
Balance at December 31, 2013	<u>\$ 657,535</u>	<u>\$ 104,862</u>	<u>\$ 105,018</u>	<u>\$ 867,415</u>

16. SALES TAX REMITTED TO OTHER TAXING AUTHORITIES

The Police Jury serves as the sales tax collection authority for the West Feliciana Parish Hospital. Act 711 of the 2010 Louisiana Legislative Session amended LRS 24:513 B to provide required footnote disclosure in the financial statements of local governments that collect tax for other taxing jurisdictions. For the year ended December 31, 2013, the Police Jury withheld \$28,176 for the West Feliciana Parish Hospital's Share of audit, legal, and administrative fees. This resulted in a distribution of \$1,450,472 of sales tax collections to the West Feliciana Parish Hospital during the year ended December 31, 2013.

17. LEASES

The West Feliciana Library leases a building from the West Feliciana Historical Society on a month-to-month basis at a rate of \$1,200 per month. Total rent paid during the year was \$14,400.

Waterworks District No. 13 paid \$4,800 to the Police Jury for office space during the year on a month-to-month basis at a rate of \$400 per month.

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

18. RESTATEMENT OF NET POSITION/FUND BALANCE

Net position for the primary government has been restated as of December 31, 2012 as follows:

	Governmental Activities	Business-Type Activities	Total
Net position, at December 31, 2012, as previously reported	\$ 24,584,026	\$ 534,357	\$ 25,118,563
Total Adjustments	<u>3,919,280</u>	<u>5,593,452</u>	<u>9,512,732</u>
Net position, at December 31, 2012, as restated	<u>\$ 28,503,306</u>	<u>\$ 6,127,989</u>	<u>\$ 34,631,295</u>

During 2013, the Police Jury discovered errors in the recording of governmental activities transactions in the previous period. The blended component unit (West Feliciana Library) has been presented as part of the current year report. Also, the Police Jury performed an inventory of capital assets and adjusted accounts to reflect the true and actual balances.

During 2013, the Police Jury discovered errors in the recording of business activities transactions in the previous period. The blended component unit (Waterworks District No. 13) has been presented as part of the current year report. Also, the Police Jury recorded Independence Sewer capital assets of approximately \$1,829,000 that were funded by grant proceeds. The sewer improvements were erroneously recorded as capital assets for the blended component unit Waterworks District No. 13.

Net position for the component unit has been restated as of December 31, 2012 as follows:

	Business-type Activities
Net position, at December 31, 2012, as previously reported	\$ -
Total Adjustments	<u>27,253,154</u>
Net position, at December 31, 2012, as restated	<u>\$ 27,253,154</u>

During 2013, the Police Jury discovered an error in the recording of a transaction in the previous period. The discretely presented component unit (West Feliciana Parish Hospital Service District No. 1) has been presented as part of the current year report. The change resulted in a net increase in net position.

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

18. RESTATEMENT OF NET POSITION/FUND BALANCE (continued)

Net position for the governmental funds and enterprise funds has been restated as of December 31, 2012 as follows:

	Total Governmental Funds	Enterprise Funds
Fund balance, at December 31, 2012, as previously reported	\$ 14,883,393	\$ 534,537
Total Adjustments	<u>1,335,880</u>	<u>5,593,452</u>
Fund balance, at December 31, 2012, as restated	<u>\$ 16,219,273</u>	<u>\$ 6,127,989</u>

During 2013, the Police Jury discovered errors in the recording of governmental fund transactions in the previous period. The blended component unit (West Feliciana Library) has been presented as part of the current year report.

During 2013, the Police Jury discovered errors in the recording of enterprise fund transactions in the previous period. The blended component unit (Waterworks District No. 13) has been presented as part of the current year report. Also, the Police Jury recorded Independence Sewer capital assets of approximately \$1,829,000 that were funded by grant proceeds. The sewer improvements were erroneously recorded as capital assets for the blended component unit Waterworks District No. 13.

19. COMMITMENTS

The Police Jury had construction commitments of approximately \$1,532,000 for the new West Feliciana Library building at December 31, 2013.

20. CONTINGENCIES

The Police Jury participates in a number of federally assisted grant programs. These programs are audited in accordance with OMB Circular A-133, "Audits of State and Local Governments and Non-Profit Organizations". Additionally, these programs are subject to state and federal monitoring examinations which could result in disallowed costs having to be returned to the granting agency. Management believes that further examinations would not result in material disallowed costs.

21. SUBSEQUENT EVENTS

Management of the Police Jury has evaluated subsequent events through the date that the financial statements were available to be issued, April 29, 2015, and determined that there were no subsequent events other than commencement of the aforementioned projects that require disclosure.

Required Supplemental
Information

WEST FELICIANA PARISH POLICE JURY
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 263,794	\$ 263,794	\$ 379,907	\$ 116,113
Taxes				
Ad valorem	988,039	988,039	927,176	(60,863)
Beer	3,500	3,500	3,444	(56)
Sales	85,000	85,000	76,412	(8,588)
Video poker	134,000	134,000	149,079	15,079
Franchise fees	20,000	20,000	25,830	5,830
Licenses and permits	113,600	113,600	147,904	34,304
Charges for services	221,100	221,100	236,337	15,237
Other revenues	22,150	22,150	9,464	(12,686)
Total revenues	1,851,183	1,851,183	1,955,553	104,370
Expenditures:				
General government	1,665,263	1,664,263	1,488,142	176,121
Economic development	-	-	19,279	(19,279)
Health and welfare	88,000	88,000	86,492	1,508
Public safety	168,300	168,300	172,707	(4,407)
Capital outlay	12,900	12,900	12,900	-
Total expenditures	1,934,463	1,933,463	1,779,520	153,943
Excess of revenues over (under) expenditures	(83,280)	(82,280)	176,033	258,313
Other financing sources (uses):				
Sale of assets	-	-	813,020	(813,020)
Transfers to other funds	-	-	(49,797)	(49,797)
	-	-	763,223	(862,817)
Excess of revenues over expenditures and other financing sources (uses)	(83,280)	(82,280)	939,256	1,021,536
Fund balance, beginning, as restated	-	-	6,456,693	6,456,693
Fund balance, ending	\$ (83,280)	\$ (82,280)	\$ 7,395,949	\$ 7,478,229

See accompanying independent auditors' report.

WEST FELICIANA PARISH POLICE JURY
BUDGETARY COMPARISON SCHEDULE
BUILDINGS AND GROUNDS FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 1,135,820	\$ 1,135,820	\$ 1,140,329	\$ 4,509
Taxes:				-
Ad valorem	752,277	752,277	759,979	7,702
Other	700	700	733	33
Total revenues	<u>1,888,797</u>	<u>1,888,797</u>	<u>1,901,041</u>	<u>12,244</u>
Expenditures:				
Public Works	<u>1,844,436</u>	<u>1,844,436</u>	<u>1,838,434</u>	<u>6,002</u>
Total expenditures	<u>1,844,436</u>	<u>1,844,436</u>	<u>1,838,434</u>	<u>6,002</u>
Excess of revenues over expenditures	44,361	44,361	62,607	18,246
Fund balance, beginning, as restated	<u>-</u>	<u>-</u>	<u>1,515,432</u>	<u>1,515,432</u>
Fund balance, ending	<u>\$ 44,361</u>	<u>\$ 44,361</u>	<u>\$ 1,578,039</u>	<u>\$ 1,533,678</u>

See accompanying independent auditors' report.

WEST FELICIANA PARISH POLICE JURY
BUDGETARY COMPARISON SCHEDULE
RECREATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 148	\$ 148
Local sources:				
Ad valorem	390,000	390,000	388,792	(1,208)
Sales	387,500	387,500	471,981	84,481
Charges for services	198,500	198,500	178,821	(19,679)
Other	250	250	286	36
Total revenues	<u>976,250</u>	<u>976,250</u>	<u>1,040,028</u>	<u>63,778</u>
 Expenditures:				
Culture and recreation	<u>970,787</u>	<u>970,787</u>	<u>916,923</u>	<u>53,864</u>
Total expenditures	<u>970,787</u>	<u>970,787</u>	<u>916,923</u>	<u>53,864</u>
 Excess of revenues over expenditures	5,463	5,463	123,105	117,642
 Fund balance, beginning, as restated	<u>-</u>	<u>-</u>	<u>288,228</u>	<u>288,228</u>
 Fund balance, ending	<u>\$ 5,463</u>	<u>\$ 5,463</u>	<u>\$ 411,333</u>	<u>\$ 405,870</u>

See accompanying independent auditors' report.

WEST FELICIANA PARISH POLICE JURY
BUDGETARY COMPARISON SCHEDULE
ROAD IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues:				
Intergovernmental	\$ 195,000	\$ 195,000	\$ 271,347	\$ 76,347
Taxes:				
Ad valorem	1,134,448	1,134,448	1,143,506	9,058
Other	22,200	22,200	7,034	15,166
Total revenues	<u>1,351,648</u>	<u>1,351,648</u>	<u>1,421,887</u>	<u>100,571</u>
Expenditures:				
Public works	<u>1,496,559</u>	<u>1,496,559</u>	<u>1,397,807</u>	<u>98,752</u>
Total expenditures	<u>1,496,559</u>	<u>1,496,559</u>	<u>1,397,807</u>	<u>98,752</u>
Excess of revenues over (under) expenditures	(144,911)	(144,911)	24,080	168,991
Other financing sources:				
Transfers from other funds	<u>150,000</u>	<u>150,000</u>	<u>-</u>	<u>(150,000)</u>
	<u>150,000</u>	<u>150,000</u>	<u>-</u>	<u>(150,000)</u>
Excess of revenues over expenditures and other financing sources	<u>5,089</u>	<u>5,089</u>	<u>24,080</u>	<u>18,991</u>
Fund balance, beginning, as restated	<u>-</u>	<u>-</u>	<u>1,568,770</u>	<u>1,568,770</u>
Fund balance, ending	<u>\$ 5,089</u>	<u>\$ 5,089</u>	<u>\$ 1,592,850</u>	<u>\$ 1,587,761</u>

See accompanying independent auditors' report.

WEST FELICIANA PARISH POLICE JURY
BUDGETARY COMPARISON SCHEDULE
ECONOMIC DEVELOPMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues:				
Taxes:				
Ad valorem	\$ 264,000	\$ 264,000	258,804	\$ (5,196)
Other revenues	12,000	12,000	13,235	1,235
Total revenues	<u>276,000</u>	<u>276,000</u>	<u>272,039</u>	<u>(3,961)</u>
Expenditures:				
Economic development	221,716	221,716	212,783	8,933
Total expenditures	<u>221,716</u>	<u>221,716</u>	<u>212,783</u>	<u>8,933</u>
Excess of revenues over expenditures	54,284	54,284	59,256	4,972
Fund balance, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, ending	<u>\$ 54,284</u>	<u>\$ 54,284</u>	<u>\$ 59,256</u>	<u>\$ 4,972</u>

See accompanying independent auditors' report.

WEST FELICIANA PARISH POLICE JURY
BUDGETARY COMPARISON SCHEDULE
LIBRARY CONSTRUCTION FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues:				
Other	\$ 2,000	\$ 2,000	\$ 1,867	\$ (133)
Total revenues	<u>2,000</u>	<u>2,000</u>	<u>1,867</u>	<u>(133)</u>
Expenditures:				
Capital outlay	3,327,983	3,327,983	838,092	2,489,891
Total expenditures	<u>3,327,983</u>	<u>3,327,983</u>	<u>838,092</u>	<u>2,489,891</u>
Excess of revenues over (under) expenditures	(3,325,983)	(3,325,983)	(836,225)	2,489,758
Fund balance, beginning, as restated	<u>-</u>	<u>-</u>	<u>3,187,241</u>	<u>3,187,241</u>
Fund balance, ending	<u>\$ (3,325,983)</u>	<u>\$ (3,325,983)</u>	<u>\$ 2,351,016</u>	<u>\$ 5,676,999</u>

See accompanying independent auditors' report.

WEST FELICIANA PARISH POLICE JURY

OTHER POST EMPLOYMENT BENEFITS PLAN
RETIREE HEALTH AND LIFE INSURANCE PROGRAMS
YEAR ENDED DECEMBER 31, 2013

SCHEDULE OF FUNDING PROGRESS

<u>Fiscal Year Ending</u>	<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
12/31/13	01/01/13	\$ -	\$ 61,454	\$ 61,454	0.00%	\$ 2,120,780	2.90%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

<u>Fiscal Year Ending</u>	<u>Annual OPEB Cost</u>	<u>Amount Contributed</u>	<u>Percentage of Annual OPEB Costs Contributed</u>	<u>Increase (Decrease) to Net OPEB Obligation</u>	<u>Net OPEB Obligation</u>
12/31/13	\$ 6,490	\$ 265	4.08%	\$ 6,225	\$ 6,225

Other Supplemental
Information

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
MAJOR AND NON-MAJOR FUND DESCRIPTIONS

Governmental Funds

General Fund:

General Fund - The General Fund accounts for all transactions not required to be accounted for in another fund.

Special Revenue Funds:

Buildings and Grounds Fund - This fund accounts for designated tax levy for the on-going maintenance and preservation of Police Jury property.

Recreation Fund - This fund accounts for designated tax levy and proceeds from sales tax collections for recreational parks around the parish.

Road Improvement Fund - This fund accounts for designated tax levy for the acquiring, constructing, improving, maintaining and operating public roads and bridges and related drainage equipment. This fund also accounts for financing provided the State of Louisiana Parish Road Fund.

Economic Development Fund - This fund accounts for designated tax levy for the purpose of economic development by promoting, encouraging, and assisting in locating, development and expansion of agricultural, industrial, manufacturing, and professional concerns in the Parish.

Health Unit Fund - This fund accounts for designated tax levy for the purpose of acquiring maintaining, and operating public health facilities and other social services.

West Feliciana Library Fund - This fund accounts for designated tax levy for the purpose of providing resources and services to fulfill individual information needs for day-to-day living and pleasure, and for cultural, educational and leisurely pursuits.

Solid Waste Fund - This fund accounts for sales tax collections for the purpose of maintaining, operating, and acquiring and/or improving solid waste collection and disposal facilities in and for the Parish.

Criminal Court Fund - This fund accounts for the receipts of court fees and fines and the disbursements of court costs of the 18th Judicial District.

Fund Sports Tax Fund - This fund accounts for recreational ad valorem taxes that were designated by the Police Jury for sporting activities.

Disaster Recovery Fund - This fund accounts for a federal grant, the goal of which is to assist communities in their recovery from natural disasters.

Capital Projects Funds:

Library Construction Fund - This fund accounts for funds obtained by the Police Jury for the construction of a new parish library building.

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
MAJOR AND NON-MAJOR FUND DESCRIPTIONS

Debt Service Funds:

Debt Service Fund – Accumulates funds for the payment of obligation bonds obtained by the Police Jury.

Enterprise Funds:

Waterworks District No. 13 – This fund accounts for the water district that was created to provide water resources to citizens of West Feliciana Parish residing within the borders of Waterworks District No. 13.

Hardwood Sewer – This fund accounts for the provision of sewer services and sewer treatment to the Hardwood community.

Solitude Sewer – This fund accounts for the provision of sewer services and sewer treatment to the Solitude community.

Turner Sewer – This fund accounts for the provision of sewer services and sewer treatment to the Turner community.

Independence Sewer – This fund accounts for the provision of sewer services and sewer treatment to the Independence community.

WEST FELICIANA PARISH POLICE JURY
COMBINING BALANCE SHEET
OTHER NON-MAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2013

	Health Unit	West Feliciana Library	Solid Waste	Criminal Court Fund	Fund Sports Tax	Disaster Recovery	Debt Service	Total
<u>ASSETS</u>								
Cash and cash equivalents	\$ -	\$ 177,113	\$ 97,504	\$ 85,929	\$ -	\$ 6	\$ 33,194	\$ 393,746
Investments	958,461	760,092	112,524	-	-	-	1,143	1,832,220
Prepaid Expenses	-	25	-	-	-	-	-	25
Receivables:								
Accounts	-	-	-	10,262	-	-	-	10,262
Taxes	375,671	307,281	94,914	-	347	-	291,525	1,069,738
Due from other funds	-	-	6,929	1,174	-	-	-	8,103
Restricted assets:								
Cash and cash equivalents	-	37,600	-	-	-	-	-	37,600
Investments	-	-	-	-	-	-	156,375	156,375
TOTAL ASSETS	<u>1,334,132</u>	<u>1,282,111</u>	<u>311,871</u>	<u>97,365</u>	<u>347</u>	<u>6</u>	<u>482,237</u>	<u>3,508,069</u>
<u>LIABILITIES</u>								
Accounts payable	16,985	4,921	6,237	5,092	-	-	-	33,235
Cash overdraft	53,181	-	-	-	-	-	-	53,181
Due to other funds	25,175	-	13,750	325	-	-	-	39,250
TOTAL LIABILITIES	<u>95,341</u>	<u>4,921</u>	<u>19,987</u>	<u>5,417</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>125,666</u>
<u>FUND BALANCES</u>								
Nonspendable	-	25	-	-	-	-	-	25
Restricted	1,238,791	37,600	291,884	91,948	347	6	482,237	2,142,813
Committed	-	1,794	-	-	-	-	-	1,794
Unassigned	-	1,237,771	-	-	-	-	-	1,237,771
TOTAL FUND BALANCES	<u>1,238,791</u>	<u>1,277,190</u>	<u>291,884</u>	<u>91,948</u>	<u>347</u>	<u>6</u>	<u>482,237</u>	<u>3,382,403</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,334,132</u>	<u>\$ 1,282,111</u>	<u>\$ 311,871</u>	<u>\$ 97,365</u>	<u>\$ 347</u>	<u>\$ 6</u>	<u>\$ 482,237</u>	<u>\$ 3,508,069</u>

See accompanying independent auditors' report.

WEST FELICIANA PARISH POLICE JURY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Health Unit	West Feliciana Library	Solid Waste	Criminal Court Fund	Fund Sports Tax	Disaster Recovery	Debt Service	Total
Revenues:								
Intergovernmental	\$ 15,554	\$ 13,423	\$ -	\$ -	\$ -	\$ 25,012	\$ 112	\$ 54,101
Taxes								
Ad valorem	380,875	266,419	-	-	347	-	295,457	943,098
Sales	-	-	895,353	-	-	-	-	895,353
Charges for services	-	20,505	-	131,770	-	-	-	152,275
Other revenues	638	1,025	157	-	-	-	119	1,939
Total revenues	<u>397,067</u>	<u>301,372</u>	<u>895,510</u>	<u>131,770</u>	<u>347</u>	<u>25,012</u>	<u>295,688</u>	<u>2,046,766</u>
Expenditures:								
General government	-	339,965	-	94,209	-	25,012	250	459,436
Health and welfare	301,558	-	-	-	-	-	-	301,558
Public works	-	-	880,138	-	-	-	-	880,138
Capital outlay	-	55,631	-	-	-	-	-	55,631
Debt service:								
Principal	-	-	-	-	-	-	128,000	128,000
Interest	-	-	-	-	-	-	100,658	100,658
Total expenditures	<u>301,558</u>	<u>395,596</u>	<u>880,138</u>	<u>94,209</u>	<u>-</u>	<u>25,012</u>	<u>228,908</u>	<u>1,925,421</u>
Excess of revenues over expenditures	95,509	(94,224)	15,372	37,561	347	-	66,780	121,345
Other financing sources:								
Transfers from other funds	-	-	-	-	-	-	58,149	58,149
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>58,149</u>	<u>58,149</u>
Excess of revenues and other sources over expenditures and other uses	95,509	(94,224)	15,372	37,561	347	-	124,929	179,494
Fund balance, beginning, as restated	<u>1,143,282</u>	<u>1,371,414</u>	<u>276,512</u>	<u>54,387</u>	<u>-</u>	<u>6</u>	<u>357,308</u>	<u>3,202,909</u>
Fund balance, ending	<u>\$ 1,238,791</u>	<u>\$ 1,277,190</u>	<u>\$ 291,884</u>	<u>\$ 91,948</u>	<u>\$ 347</u>	<u>\$ 6</u>	<u>\$ 482,237</u>	<u>\$ 3,382,403</u>

See accompanying independent auditors' report.

Other Reports

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

The Honorable President and Police Jurors
of the West Feliciana Parish Police Jury
St. Francisville, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the balance sheets and statements of net position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the West Feliciana Parish Police Jury (the Police Jury) as of December 31, 2013, and were engaged to audit the related statement of activities; revenues, expenditures and changes in fund balances; changes in net position; and cash flows for the year then ended; and the related notes to the financial statements; which collectively comprise the Police Jury's basic financial statements and have issued our report thereon dated April 29, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the balance sheets and statements of net position, we considered the Police Jury's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the balance sheets and statements of net position, but not for the purpose of expressing an opinion on the effectiveness of the Police Jury's internal control. Accordingly, we do not express an opinion on the effectiveness of the Police Jury's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs, noted as items 2013-1 and 2013-2, to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompany schedule of findings and questioned costs, noted as items 2013-3, and 2013-4, to be significant deficiencies.

Compliance and Other Matters

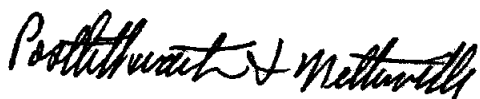
As part of obtaining reasonable assurance about whether the Police Jury's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs, noted as item 2013-4.

West Feliciana Parish Police Jury's Responses to Findings

The Police Jury's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Police Jury's response was not subjected to the auditing procedures applied in the audit of the balance sheets and statements of net position and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Police Jury's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Baton Rouge, Louisiana
April 29, 2015

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
OMB CIRCULAR A-133**

The Honorable President and Police Jurors
of the West Feliciana Parish Police Jury
St. Francisville, Louisiana

Report on Compliance for Each Major Federal Program

We were engaged to audit the West Feliciana Parish Police Jury's (the Police Jury's) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Police Jury's major federal programs for the year ended December 31, 2013. The Police Jury's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grant agreements applicable to each of its major federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Police Jury's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because of the matter described in the Basis for Disclaimer of Opinion on the Results of Operations, Cash Flows, and Consistency paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion on the Results of Operations, Cash Flows, and Consistency

We were not able to apply audit procedures necessary to obtain sufficient appropriate audit evidence about the classifications and amounts comprising the balance sheets and the statements of net position at December 31, 2012. We issued a disclaimer of opinion on pages 1 through 3 of this presentation on the results of operations and cash flows for the year ended December 31, 2013, and on the consistency application of accounting principles with the preceding year. Likewise we have issued a disclaimer of opinion on the amounts reported in the accompanying schedule of expenditures of federal awards, presented as supplemental information to the financial statements.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion on the Results of Operations, Cash Flows, and Consistency paragraph, which impacts our ability to identify and determine the existence of major programs of the Police Jury, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on compliance with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended December 31, 2013. Accordingly, we do not express an opinion on compliance.

Report on Internal Control Over Compliance

Management of the Police Jury is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Police Jury's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of the Police Jury's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Police Jury's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2013-6 to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2013-5 to be a significant deficiency.

The Police Jury's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Police Jury's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Portlithwaite & Nettleton

April 29, 2015

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013

Federal Grantor/ Pass-Through Grantor/ Program Name	Grant Year	Grantor Project Number	CFDA Number	Expenditures 2013
<u>UNITED STATES DEPARTMENT OF AGRICULTURE</u>				
Pass-through Office of Rural Development:				
Rural Utility Services Grant	13	0572-0121	10.759	\$ 1,521,526
<u>UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
Pass-through program from Louisiana Office of Community Development:				
CDBG - Sewer System Improvements Project	13	CFMS 615784	14.228	286,625
CDBG - Disaster Recovery Program	13	BD-08-DI-22-001	14.228	25,012
				<u>311,637</u>
<u>UNITED STATES DEPARTMENT OF HOMELAND SECURITY</u>				
Pass-through Governor's Office of Homeland Security and Emergency Preparedness:				
FEMA - Public Assistance Grant	13	N/A	97.036	29,768
FEMA - Hazard Mitigation Grant	13	125-99125-00	97.039	1,135,820
				<u>1,165,588</u>
Total Expenditures of Federal Awards				<u>\$ 2,998,751</u>

See the accompanying notes to the schedule of expenditures of federal awards.

WEST FELICIANA PARISH POLICE JURY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of West Feliciana Parish Police Jury and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013

A. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: *Unmodified* - Balance Sheets and Statements of Net Position
Disclaimer - Results of Operations, Cash Flows, and Consistency

- Material weakness(es) identified? ☒ yes ☐ no
- Significant deficiencies identified that are not considered to be material weaknesses? ☒ yes ☐ none reported

Noncompliance material to financial statements noted? ☒ yes ☐ no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ☒ yes ☐ no
- Significant deficiencies identified that are not considered to be material weaknesses? ☒ yes ☐ none reported

Type of auditors' report issued on compliance for major programs: *Disclaimer*

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? ☒ yes ☐ no

Identification of major programs:

CFDA Numbers

Name of Federal Program or Cluster

10.759
14.228
97.039

Rural Utility Services Grant
Community Development Block Grant
Hazard Mitigation Grant

- The threshold for distinguishing types A & B programs was program expenditures exceeding \$300,000.
- The West Feliciana Parish Police Jury did not qualify as a low-risk auditee.

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013

B. Findings – Financial Statement Audit

2013-1

Reconciliation of Accounting Records

Criteria:

To ensure the accuracy of accounting records and serve as a means to detect potential improper activity, the general ledger accounting records should be reconciled timely to subsidiary records and to bank account records on a timely basis.

Conditions:

General ledger accounts were not reconciled timely to subsidiary records or to bank account statements. Adjusting entries were made in cash accounts, utility accounts receivable, accounts payable, payroll withholding accounts, and other accounts were not timely reconciled during the fiscal year.

Cause:

The Police Jury does not have documented procedures in place to reconcile accounts on a timely basis.

Effect:

Without this task being performed regularly, accounting records may be inaccurate and improper activity may not be detected.

Recommendation:

Accounts should be reconciled on a more timely basis and should be made a routine procedure.

Management's Response

& Corrective Action:

Management agrees with this finding and has taken steps to more timely identify the necessary adjustments and reconcile the appropriate accounts. Accounting procedures are being documented and will be followed by the Police Jury staff moving forward.

2013-2

Remission of Sales Tax to Government Agencies

Criteria:

The Police Jury should remit taxes received on the behalf of other local government agencies in a timely fashion.

Condition:

The Police Jury failed to remit \$64,355 of the December 2013 sales tax portion to a local government agency.

Cause:

There was an error made in determining the amount of December 2013 sales tax to remit to the local government agency.

Effect:

The local government agency did not receive its entire portion of December 2013 sales tax in a timely fashion.

Recommendation:

The Police Jury should implement controls and procedures to ensure a review of tax remittances to local agencies to ensure full and timely remission of funds.

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013

B. Findings – Financial Statement Audit (continued)

2013-3

Information Technology (continued)

Recommendation:

The following recommendations are needed to be implemented by the Police Jury:

- Formal policies and procedures should be implemented to document the information technology design of information technology control activities placed in effect. Policies should be communicated to employees to ensure the effective implementation and operating effectiveness of information technology controls.
- To ensure the ongoing appropriateness of employees' access to systems and the network, user access reviews should be performed at least annually. The results of the review should be documented.
- Changes to financial applications should be evaluated to ensure compatibility with current processes and that updates do not result in material errors or data inaccuracies.
- Administrative user accounts should be granted to limited users and passwords should not be shared between personnel to ensure accountability.

Management's Response

& Corrective Action:

Management agrees the Police Jury has areas in the Information Technology department that require improvement. A new IT director was hired November 21, 2014 to replace the existing contractor providing IT support services to the Police Jury. It is anticipated that the existing Police Jury Information Systems Department Policies and Procedures Manual, dated August 10, 2010 will be updated in the near future. This will address the items not in this finding and provide a framework for implementing new technologies and monitoring ones presently in use.

2013-4

Compliance with Audit Law

Criteria:

La. R.S. 24:513 provides that an annual audit be submitted to the Louisiana Legislative Auditor within six months of the close of the fiscal year.

Condition:

The deadline was not met for the 2013 year.

Cause:

Complex audit and accounting matters that needed to be resolved.

Effect:

The Police Jury is not compliant with the audit law.

Recommendation:

The Police Jury should resolve complex matters earlier in the audit process.

B. Findings – Financial Statement Audit (continued)

Management acknowledges the December 31, 2013 audit report was not submitted to the Louisiana Legislative Auditor within six months of the close of the year end. Effective November 25, 2013, West Feliciana Parish Police Jury officially enacted the Home Rule Charter Plan of organization. The required changes that ensued, including a change in the Police Jury's accounting year end from December 31st to June 30th, created additional accounting issues and projects for the staff. A new budget for January 1, 2014 through June 30, 2014 had to be developed, a new audit firm was engaged and the Police Jury staffing changes were implemented. All of this contributed to the Police Jury not meeting the deadline for filing the December 31, 2013 audit timely.

The Police Jury is required to submit its single audit reporting package and data collection form to the Federal Audit Clearing House no later than nine months after the end of the audit period.

The Police Jury did not submit its reporting package in requirement of the deadline for the 2011 and 2012 audit periods.

The Police Jury does not have adequate policies and procedures in place to ensure compliance with the federal requirement.

The Police Jury was not in compliance with the applicable single audit requirement.

The Police Jury should ensure that it files the federal data collection form in accordance to federal requirements.

Management acknowledges that the Federal Data Collection form was not filed timely. Refer to management's response to finding 2013-4.

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013

C. Findings and Questioned Costs – Major Federal Award Programs (continued)

2013-6

Internal Controls over Preparation of the Schedule of Expenditures of Federal Awards (SEFA)

Criteria: OMB Circular A-133 requires the preparation of a Schedule of Expenditures of Federal awards (the Schedule) that contains all federal grants and expenditures incurred toward those grants in any one period. The Schedule is to be prepared from accounting and grant records of the grantee.

Condition: The Schedule that was provided required significant audit adjustments.

Cause: The Police Jury does not have adequate controls in place to ensure preparation of the Schedule in compliance with OMB Circular A-133 requirements.

Effect: Without adequate internal controls over preparation of the Schedule, the Police Jury and the Police Jury's auditor could fail to identify all federal awards subject to audit.

Recommendation: The Police Jury should provide training to accounting personnel to ensure adequate preparation of the Schedule.

Management's Response
& Corrective Action:

Management acknowledges the finding and issues concerning the preparation of the December 31, 2013 Schedule of Expenditures of Federal Awards. Accounting procedures have been implemented to allow the adequate preparation of the Schedule of Expenditures of Federal Awards.

WEST FELICIANA PARISH POLICE JURY
ST. FRANCISVILLE, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

B. Findings – Financial Statement Audit

None

C. Findings and Questioned Costs – Major Federal Award Programs

None

WEST FELICIANA PARISH POLICE JURY

REPORT TO MANAGEMENT

DECEMBER 31, 2013

WEST FELICIANA PARISH POLICE JURY

REPORT TO MANAGEMENT

DECEMBER 31, 2013

April 29, 2015

Honorable President and Police Jurors
of West Feliciana Parish Police Jury
St. Francisville, Louisiana

In planning and performing our audit of the financial statements of the West Feliciana Parish Police Jury (Police Jury) as of for the year ended December 31, 2013, we considered the Police Jury's internal controls to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit, we became aware of matters that are opportunities for improving financial reporting and refining policies and procedures. The following paragraphs summarize our comments and suggestions regarding those matters. This letter does not affect our report dated April 29, 2015 on the financial statements of the Police Jury.

A. Lease Agreement

Condition:

There is currently no lease agreement between the Police Jury and the Waterworks District No. 13 (the District) for the District's lease of the Police Jury's governmental building.

Recommendation:

The Police Jury should consider executing a lease agreement for the terms and use of the building by the District.

Management's Response:

Management agrees with the recommendation and will obtain a lease agreement documenting the terms between the two entities.

We have already discussed many of these comments and suggestions with management, and we will be pleased to discuss them in further detail at your convenience. We would also welcome any opportunity to perform any additional study of these matters or to assist you in implementing the recommendations. We would also like to thank the Police Jury staff for their patience and cooperation with us during the performance of the audit.

Postlethwaite & Netterville